D 8523A

Tuesday September 25 1990

#### **Business Summary Brussels** set Continental for clash with

airport slots The European Commission is heading for a clash with the European airline industry over its plans to introduce rules on the allocation of take-off and landing slots at congested EC airports. Under the proposals, large European airlines would be forced to hand over

airlines over

slots to their smaller competi-tors. Page 18 Soviets warn Iraq Edward Shevardnadze, the Soviet foreign minister, warned Iraq that any attack by its forces on Middle East oilfields or Israel would

unleash a war and bring disas-

Liberia election call Liberian rebel leader Charles Taylor is planning a general election for October 10 in the war-torn West African country.

Mobile workforce Between 1m and 3m Soviet citizens will move to western Europe each year from 1991 to find jobs, Belgian labour minister Luc Van den Brande

predicted Mandela trial date Natal magistrates ordered Winnie Mandela to stand trial with seven others in Johannesburg on February 4 charged with kidnap and assault. Page 5

Israel expels Arabs Israeli soldiers ordered 20 Palestinians in Bureij refugee camp out and told them their homes would be demolished as punishment following an incident last Thursday when an Israeli reservist was stoned and burned to death.

Zambia reforms

Zambian president Kenneth Kaunda called for the cancellaon bringing back multi-party rule, and promised constitutional changes paving the way for elections. Page 5

Cambodia talks

Prince Norodom Sihanouk will fly to Bangkok tomorrow to chair a meeting of all four Cambodian factions if the warring groups can agree on details of how the talks should go, Thai Foreign Ministry sources said.

Cessefire ends Philippine communist guard-las ended a ceasefire with President Corason Aquino's government. Page 5

Costly clean-up A United Nations study said it would cost \$30bn to clean

New Bhuito charge Former Pakistan prime minister Benazir Bhutto was ordered to stand trial on a second corruption charge, the state-run news agency said.

Jackson in Montreal US politician Jesse Jackson arrived in Montreal at the invi-tation of Mohawk Indians hoping to end a 75-day deadlock with the Canadian authorities.

Vietnamese return The United Nations High Commission for Refugees hopes the first batch of "non-volunteer" boat people will be returned to Vietnam from Hong Kong by the end of next month. Page 5

Sandinista protest A campaign of civil disobedience against the Nicaraguan government's austerity programme was launched at the weekend by the opposition Sandinista party and affiliated trade unions. Page 9

Flower power **Bulgaria's former communists** have thrown away the tradi-tional red star and adopted an elegant red rose as their new Socialist Party symbol.

## rejects Pirelli takeover bid as 'hostile'

Continental, West German tyre company, has rejected what it called the "hostile" takeover attempt by Pirelli of Italy, but said it was ready to talk about a possible deal on different terms. Page 19 terms. Page 19

AUSTRALIA'S Labor government has won the backing to inject private capital into the telecommunications and aviation industries. Page 18

EUROPEAN Commission is heading for a clash with Euro-pean airline industry over plans to introduce rules on the allocation of take-off and landing slots at congested EC airports. Page 18

BARCLAYS, largest UK bank, and BankAmerica, are joining forces in international travellers cheques market. Page 19 BRIERLEY Investments, New Zealand company, has launched cash bid for Mount

the UK hotels group at 2644m (\$1.16bn). Page 19 SOVIET Union: More than 100 large-scale metal enterprises would fold without subsidies in a market system, leaders of the metallurgical industry

Charlotte Investments, valuing

warned. Page 7 GERALD Rouson, chairman of the Heron Group jailed for one year and fined 25m (\$9.4m) for his part in lilegal share support operation, is to appeal against both his conviction

and sentence. Page 18 PRUDENTIAL Corporation, UK's life insurer, is to sell Bel-gian general insurance subsidiary, Compagnie d'Assurance de l'Escaut, to French insurer Assurances Générales de France (AGF) for BFr9.4bn

(\$295.2m). Page 19 TAIWAN expects economic growth rate to fall to about 4.5 per cent this year – far lower than expected. Page 5

STERLING should enter the exchange rate mechanism of the European monetary system "as soon as possible", Pierre Bérégovoy, France's finance minister, said. Page 8

POLLY Peck's board is drafting a detailed statement about its affairs in an attempt to satisfy its lawyers and the Stock

Exchange. Page 11 COATS VIYELLA, one of Europe's largest textile groups has appointed Neville Bain from confectionary company Cadbury Schweppes, as group chief executive. Page 26

SHELL Oil's plan to build and jointly operate Thalland's fourth refinery — a Bahti8bn (\$706.9m) project — may be in doubt, Page 4

JOSE Maria Aristrain, Spanish steel producer, pulled out of agreement to sell company to a joint venture formed by Spain's Banco Espanol de Cre-dito (Banesto) and British Steel, Page 19

SOVIET government has announced incentives to boost state purchases of grain, including special access to cars. Page 34

**NEW Zealand Futures and** Options Exchange, which plunged into crisis last year, is to revamp its membership and let a private body run its services, Page 25

NEWS Corp: Rupert Murdoch has threatened to move the headquarters of his global media and entertainment group outside Australia if it is not allowed to change its share structure.

PICK 'N Pay, South Africa's largest retail chain, increased profit in the six months to end-

CREDIT National Bank of France will take an Ecu2m (\$2.61) nominal stake in a new Polish government develop-ment bank (PDB). Page 7 TOKYO markets: There was no trading on the Nikkei index because of a public holiday.

## EC move to limit Japanese car imports under threat

By Guy de Jonquières in London and David Buchan in Brussels

THE European Community's efforts to negotiate restraints on Japanese car sales after 1992 are threatened by growing political disarray in the EC and by signs of further weakness in the European vehicle market.

Mr Martin Bangemann, the European industry commissioner, has said in private recently that the EC's internal divisions are so deep that it may prove impossible to con-clude an agreement with

Failure to agree could jeop-ardise the planned single mar-ket in cars and prompt coun-tries such as France and Italy to defy the commission by maintaining their national restrictions on Japanese car imports after 1992.

Officially, the commission says it still expects the issue to be resolved. However, even optimists in Brussels admit it is proving much more difficult than feared and say decisive prog-ress must be made in the next

two months if a breakdown is to be avoided.

Britain, Portugal and Spain, as well as France and Italy, all limit Japanese car sales. Because these curbs impede free trade in the community, the commission is proposing to replace them with Japanese voluntary restraint arrangements covering the whole EC, which would last until the late

The proposal has been approved in principle by EC governments and by Japan, though detailed provisions have still to be agreed. However, the already shaky consensus between the Twelve has been strained further by several recent developments. They include:

Morsening relations between Brussels and Paris.
Mrs Edith Cresson, France's European affairs minister, bitterly criticised the Commission last week and called on the EC to abandon its current approach to Japanese cars and start again from scratch.

Her outburst appears to have been triggered by Mr Bange-mann's decision to exclude Mr Jacques Calvet, the ultra-protectionist chairman of Peugeot, from a high-level meeting this month attended by the heads of all the other European car-

The snub to Mr Calvet seems serious tactical blunder, which has further hardened France's anti-Japanese line. The French position is broadly supported by Italy and Spain. • Carmakers' growing con-cern about the short-term market outlook, particularly in southern Europe, where sales

mates that the proposed restraints would allow Japan's share of the EC market, including output from Japanese "transplants" in Europe, to rise from 10.4 per cent to almost 19

In Britain which, with West Germany, takes a broadly liberal position in the EC debate, Japan's share would rise from 11 per cent to 29 per cent. In France, the Japanese share would increase from 3 per cent

to 11 per cent.
The industry has accused the Commission of seeking to give away to the Japanese all the forecast growth in the European market. Daimler-Benz of West Germany is said to be the only European carmaker now unequivocally in favour of free trade.

Disagreements in the Com-

mission over how to manage the proposed restraints. Mr Bangemann wants Japan to give an informal undertaking that its carmakers will not flout the restraints simply by shipping cars from open EC markets to currently protected

But Sir Leon Brittan, the competition commissioner, is demanding that any restric-

higher than most analysts consider justified by the

reduction in crude supplies

caused by the embargo on

Iraqi and Kuwaiti oil

Cargoes of Brent oil for

prompt delivery were

quoted at \$40.65 a barrel

reflecting a steep premium

are reported to be suffering from higher oil prices.

Industry worries have been deepened by Commission estimates the council of approval by the Council of mally enshrined in EC legisla-tion, which would require approval by the Council of Ministers.

That, however, would undermine the Commission's claim that it does not need the Council's authorisation to negotiate with Japan. It could also jeopardise the chances of concluding a deal by bringing into the open divisions between EC

The Commission fears that unless it can break the threat-ened stalemate in the next two months, the issue risks becoming hopelessly entangled in the conclusion of the Gatt Uruguay Round of trade negotiations at

Though a senior official from the Japanese Ministry of Inter-national Trade and Industry is due to visit the Commission due to visit the Commission later this week, neither Brussels nor Tokyo expects much progress while internal EC disagreements persist.

Japanese diplomats in Brussels said the Gulf crisis had hardened protectionist tendencies among southern EC mem-

cles among southern EC mem-bers. They claimed the Commission's external affairs division was taking a more strongly free-trade attitude than its industry directorate,

from the Group of Seven meet-ing in Washington which failed to mention any moves on strengthening the dollar or on co-ordinating interest rate cuts in the event of marked collec-

because of the rise in crude oil

There are also rising con-

isastrous. The administration and con-

cerns over the US fiscal post-tion, which looks increasingly



Gorbachev nearer market economy

SOVIET President Mikhail Gorbachev was yesterday granted the sweeping powers he was seeking to transform the Soviet Union into a market economy by decree.

The measure means he can bypass both the central government and elected soviets in implementing radical measures to introduce private property, price reform and budget cuts.

At the same time, he agreed to go along with yet another attempt to reconcile the difference reform programmes, but ing reform programmes put forward by the Soviet govern-ment, headed by Mr Nikolai

Hyzhkov, prime minister, and his own advisers, headed by Professor Stanislav Shatalin. The compromise effort was approved by the Supreme Soviet of the USSR, in spite of the objections of both Profes-sor Shatalin and Dr Leonid Abalkin, the deputy prime minister, both of whom insisted that their plans could

not be merged.

It leaves it up to Mr Gorbachev to forge a single plan by
October 15 for the approval of the union parliament. However, the presidential Continued on Page 18

## World stock markets drop sharply

By Janet Bush in New York

WORLD stock markets dropped sharply yesterday amid worries about the slow-down in the global economy and the possibilities of war in

In London, the FTSE-100 index closed 35.2 down at 1,990.8, the lowest point since

January 1989.
US financial markets fell below the lows reached in early August in the initial reaction to Iraq's invasion of Kuwait. The Dow Jones Industrial Average of blue chip stocks was 57.43 points lower at midsession at 2.454.95.

The Treasury's benchmark long bond fell ½ point to yield 9.16 per cent and the dollar remained under pressure, par-ticularly against the D-Mark. It was quoted at DM1.5580 at midsession, more than two prem-nigs below its opening highs. The broad selling in US financial markets yesterday extended the weakness seen last week on increasing concern about the US economy.

By Peter Norman in Washington

THE International Monetary Fund was yesterday given the go-ahead to adapt its lending

programmes to assist those countries hardest hit by the

Gulf crisis.
However, after meeting all

day on Sunday and early yes-terday morning, its policy-mak-

ing Interim Committee rejected the establishment of any new

pool of resources to help coun-

tries overcome the negative

economic effects of the Iraqi

invasion of Kuwait.
The Interim Committee of

finance ministers and central bankers, which represents the entire IMF membership, also

warned that any attempt to off-set the effects of the oil price

through subsidies or higher wages would end in pain.
Such action "would only
serve to fuel inflationary

expectations and require, at a later stage, tighter fiscal and monetary policies," it said.

In its communique, the com-mittee set out the framework

for the IMF to help member states as part of the interna-tional community's action on

rise on industrial countrie

Oil prices neured a 10-year high yesterday, with North Sea Brent breaching \$40 a barrel, on fears of war in the Middle East.

On the New York Mercantile Exchange, November crude oil futures were quoted \$3.30 a barrel higher at \$38.73. The price of oil reflects

fears of war and is much Page 18

Investors are becoming increasingly aware that there

is little hope of a quick solu-tion to the crisis in the Middle

East, Ms Abby Joseph Coben, chief equity strategist at Bar-clays de Zoete Wedd in New York, said. The US economy is

singgish on the best interpreta-tion and in recession according

to the worst, and inflation, even excluding the current oil

the economic front to supplement the military and diplo-

matic measures taken sgainst

· Be prepared to give mem-

bers greater access to existing lending facilities. These would

include the borrowing rights conferred by membership sub-scriptions and existing special

funds. Among these, the com-munique named the Compen-satory and Contingency Finan-cing Facility, which would help

offset losses of export earnings for workers' remittances, and

the Enhanced Structural

Adjustment Facility which pro-

vides money to poor developing nations on easy terms.

• Make ready special plans to help about 20 poor countries which are too wealthy to

receive IMF loans on conces-

sional terms and yet will suffer

heavily from the events in the Gulf. The way has now been cleared for the IMF's executive

board to work further on the details of a plan put forward by Mr Michel Camdessus, the IMF managing director. This envisages taking a levy from the oil producing countries that bene-

shock, is rising.

countries hit by Gulf crisis

Iraq. It should:

among traders in most Euro-pean bourses. The Frankfurt market registered its lowest level since October while Mad-

\$1.1bn (\$2.1bn) UK current account deficit in August strengthened sterling, though

The nervousness on Wall Street helped to induce gloom IMF given go-ahead to assist

rid and Paris touched new lows In Britain, news of the

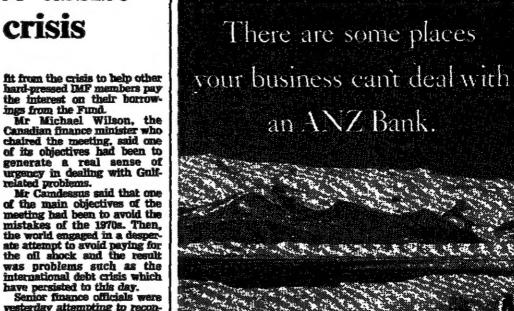
it did not lift the stock market.
One more specific trigger for
yesterday's decline was
another jump in crude oil
prices after Iraq's threat at the

fit from the crisis to help other hard-pressed IMF members pay the interest on their borrow-

the world engaged in a desper-ate attempt to avoid paying for the oil shock and the result

was problems such as the international debt crisis which

## The administration and congress continue to tussle over a package of budget deficit cuts which already look inadequate in the face of impending recession, the huge costs of the military commitment in the Gulf and the thrift bail-out. The Gulf Crisis, Page 2; UK trade figures, Page 18; Lex, Page 18; Government Bonds, Currencies, Stock markets, Section II



ANZ Benking Group has one of the world's largest international banking tworks. So there are very fe places we can't be found. And with ANZ Grindleys

Bank, we're in over 48 countries, covering Australasia South Asia and Asia Pacific. the Americas, Africa, the Middle East and Europe.



We have around 2,300 es worldwide. So you'll ever find us in markers imernational banks ignore von do business with ANZ you can be sure of dealing with the same bank ar both ends of the transaction. Having the sam financial people on either side doesn't just make



You also get more control and benefit from local bank contacts as well. . When dealing internationally, it pays to do business through ANZ Bank and ANZ Grindleys. After all, the right network can make a world of difference

## CONTENTS

The Guti Crisis: Guest workers say their farewells to Saudi Arabia ... World Trades Chemical industry wakes up to the Uruguay Round ..... World sirliness Queueing up for a stake in Qantas in the Asia-Pacific race \_\_\_\_\_\_\_5 Editorial Comments How not to create jobs; Spain heading for crisis ..... Foreign Affairs: A failure of leadership in Survey: Computers and Software .... Section III

Management: Harmonising EC exports .... 7 Gritain ... Currencies & money \_\_\_ 42 Management

Peruvians ill-equipped to absorb drastic 'stabilisation'



The economic team of dent Alberto Fujimori has miscalculated. shooting on price adjustments and there are fears the conse quent recession has cut too deep.

16,11 Editorial Comment Ştock Martusts

London: 538,275 (34,625) 35-37 Chief price changes yesterday: Page 18

New York Information 51.8815 London: \$1.8845 (1.8455) DM2.935 (2.9125) FF:9.8225 (9.745) SF:72.4425 (2.4375) Y256.25 (252.5) £ index 93.4 (92.8) GOLD New York: Comex Dec \$408.3 (394.5) \$396 (389.25) N SEA OIL (Argus) Brent 15-day Nov

yield: 7.58% Long Bood: 9533 yield: 9.16%

DOLLAR

New York lun

US buchlime rates Fed Funds 84% Life long gilt future: Dec 8232 (8233)

2,453.98 (-58.42) S&P Comp 303.67 (-7.65) Tokyo: Nikkei LONDON MONEY

have persisted to this day. Senior finance officials were yesterday attempting to reconcile widely differing figures on the immediate needs of the frontline states - Egypt, Tur-key and Jordan - most affected by the Gulf crisis and on the amounts of assistance which have been offered. Estimates of these states' needs vary from \$9bn to \$14bn over the next 15 months. Details, Page 8 STOCK INDICES FT-SE 100: 1,990.3 (-35.2) FT Ordinary: 1,510,4 (~26.9) FT-A All-Share: 962.09 (-1.6%) New York to DJ Ind. Av.

MARKETS

FFr5.219 Y136.78 London: DM1.5575 (1.5775) FFr5.2125 (5.28) SFr1.2965 (1.3215) Y136.0 (136.9) \$ index 62.3 (62.9)

3-mo Treasury Bi

Japanese marketa were closed yesterda closing 1432 (same)

## Old E German equipment included in Bonn's pledge

By David Marsh in Bonn

THE German government is to supply the US with DM740m (£250m) worth of equipment from the East German National People's Army, as part of the DM3.3hn Gulf aid package agreed with Washington 10 days ago.

This means that the US army could shortly be deploy-ing East German and Soviet-made goods which until recently would have been earmarked for fighting Nato in any European conflict.

The revelations about the amount of East German goods in the package will certainly diminish its intended positive impact on the US congress. Mr Hans Klein, the Bonn

government spokesman, confirmed that roughly half of Bonn's total military and transport aid for the US would be made up of old stocks of the shortly-to-be-disbanded East German army. But he denied suggestions that the equipment would not be "modern". Mr Klein also said that Germany had not up to now discussed the supply of weaponry for the US-led Gulf forces.

By John Ridding in Secui

SOUTH Korea will provide aid

and support worth \$220m

(£117m) over two years to the international effort in the Gulf, the foreign ministry

announced yesterday.

Mr Yoo Chong Ha, vice for-elgn minister, said that \$50m

and services would be given to the multinational forces in the

Gulf and \$100m in aid and sup-

plies would be given to Egypt, Jordan and Turkey, which face economic difficulties because

of the dispute.
According to Youkap, the

official news agency, the mea-sures fell short of a US request

for \$350m in support of the international effort in the Gulf.

But the US embassy in Seoul welcomed yesterday's announcement.

Mr Yoo, quoted by Yonhap, said: "We know that the US congress and media have con-

cash and \$70m in materials

Seoul promises \$220m

in aid over two years

The US is understood to be satisfied that the list of equipment offered to Mr James Baker, the secretary of state, when he visited Germany in

mid-September contains useful East German military goods. These include East German protective devices against chemical weapons, as well as engineering equipment such as bridge-building materials. The Bonn Defence Ministry could not confirm yesterday to what extent other material such as

lorries and personnel carriers were on the lists.
"One of the positions of excellence of the Warsaw Pact is that it produces rugged and dependable equipment," said one official yesterday.

The Bonn government meanwhile admits that the DM3.3bn figure, agreed when Mr Baker visited Chancellor Helmut Kohl and Mr Hans-Dietrich Genscher, foreign minister, was partly inflated to influence US public opinion. One Bonn minister said last

Gulf, but the US administra-

change in the military balance

on the Korean peninsula."

The materials and services

which South Korea will pro-

vide include gas masks, uniforms, tents and the use of

cargo aircraft and ships. The

economic assistance to the front-line states includes \$40m in long-term, low-interest loans, 30,000 tons of rice and \$50m for assistance to refugees.

According to Mr Yoo, the

decision to contribute aid reflected South Korea's opposi-tion to Iraq's use of "illegal aggression" and its desire for a

restoration of oil price stabil-

week that the DM3.3bn was partly "optical", and admitted that it was boosted in several

## rejects Iraqi apology

By Ian Davidson

THE French government said yesterday that it would not be satisfied by Iraqi "excuses" for the forcible intrusion into the French ambassador's residence in Kuwait, and demanded the immediate liberation of all French and other foreign hos-

Iraqi forces invaded the French residency on September 14 and removed four people, including the defence attaché, who was subsequently released. President François Mitterrand immediately responded with a decision to strengthen French forces in the Gulf, by sending 4,000 extra ground troops and a contingent of light AMX 10 armoured

Yesterday the French For-eign Ministry said the govern-ment had received no official confirmation of the "excuses" published on Sunday by the Iraqi INA newsagency, which



Mitterrand: more forces

said the intrusion of Iraqi forces into the residence had been the result of a misunder-

"But in any case," said the ministry, "France could not be satisfied [by the excuses], and expects the immediate liberation of the three people removed on that occasion, as well as the liberation of all hostages, French and foreign, unjustly held." The ministry calculates that

there are around 90 French cit-izens in Kuwait and 200 in Iraq; of this total, it estimates that about 60 are being held as hostages in strategically sensi-tive sites.

## Assad extends Tehran visit

By Tony Walker in Cairo

ways to leave Mr Baker with as

positive an impression as pos-

sible. "We have learnt some-

thing from the Japanese," the

minister commented wryly, referring to Tokyo's well-known penchant in recent

years for maximising the

headline" figure of any inter-

national aid agreement.

Apart from the DM1.6bn mil-

itary and transport component, DM420m is coming from Ger-

many's contribution to EC aid

for "front-line" states, while

DM1.28bn reflects direct sup-port for Egypt, Turkey, and

The biggest single compo-

nent is DM975m in aid for Egypt. Of this, DM775m had

already been decided under West Germany's 1988, 1989 and 1990 budgets, a Bonn official

said yesterday. The DM775m

was up to now frozen, pending accord on Egypt's international debt rescheduling. "Unblocking" the amount due adds up to an additional flow of funds

for Egypt, but weakens the "political signal" of the aid action, officials acknowledged

PRESIDENT Hafez al-Assad of Syria has extended his visit to Tehran, prompting speculation that he is making progress in his efforts to persuade Iran to take a harder line against fraq tended that Korea despatch at least a brigade-level unit to the tion shared the view that it is undesirable for Korea to bring

News that Mr Assad's visit was being extended coincided with reports that Iran had arrested 29 people seeking to smuggle food across its border into Iraq. Two groups of smug-glers have been handed over to a revolutionary court in the Kurdish city of Sanandaj near

the Iraqi border. Iran said Mr Assad would spend more time in Tehran because of the importance of the issues under discussion and the need to complete con-

Western officials said it was significant that the Assad visit had been extended and this could be read as a positive sign. The Syrian leader seems certain to be arguing strongly that Tehran should co-operate in efforts to tighten the noose around Iraq. While Iran has said it supports UN sanctions, it has made equivocal statements about continuing to supply food and medicine on humanitarian grounds. Mr Assad, who held 4% hours of talks in Damascus this month with Mr James Baker, the US secretary of state, may also be seeking to encourage Iran to further

reduce its international isola-

There have been faltering signs of iran reaching out to the west and to the moderate Arabs among its neighbours, such as Saudi Arabia and Egypt. Syria's ruler, in his efforts to further isolate his arch-rival President Saddam Hussein, is likely to have encouraged this trend.

Other topics that are certain to have been discussed in some detail over the past three days are Lebanon, the Arab-Israel dispute, and regional security once the Gulf crisis ends. Ira-nian leaders have spoken out strongly against the presence of foreign forces in the Gulf, fearing that the US intends to maintain a permanent presmaintain a permanent pres-

Mr Assad has argued that once Iraq withdraws from Kuwatt, there will no longer be a pretext for foreign troops to Mr Assad's visit to Tehran is

his first since the 1979 revolution that swept Ayatollah Ruhollah Khomeini to power after the downfall of the Shah. Syria was the only Arab state to support Iran during the protracted Gulf conflict that ended in an August 1988 cease-fire. Iran, because of its 750-mile border with Iraq, could help its neighbour circumvent the UN embargo on all trade. In a further sign that Iran is becoming less isolated in the region, Tunis amounced yes-terday that it was re-establish-

ing relations, severed in 1987.

The Yemenis, Jordanians, Sudanese and Palestinians who E VERY morning the pavement outside the Dhahran International remained find that life is grow-Hotel in Saudi Arabia is ing more difficult. "We can't trust them any more," a Saudi stacked high with unwieldy. heavily-taped cardboard boxes official said. "Those who leave won't be allowed to return. containing the possessions of departing Filipino workers. Although our government denies it, we are looking for reasons to deport them. They are watched by the police and Mindful of the fate of more than half a million Asians trapped in Iraq, Kuwait and Jordanian refugee camps and frightened by talk of chemical they are being very careful." On September 19, the Saudi warfare, expatriate "guest workers" in Saudi Arabia con-

tinue to leave the country in

their thousands. The Indian

government refuses even to

issue visas for new labourers to replace their fleeing compa-

triots in Saudi Arabia's East-

ern Province.
The Gulf crisis is forcing

Saudi Arabia to reassess its reliance on immigrant labour. Some 2.5m foreigners — at

least a quarter of the popula-tion of Saudi Arabia - have for the past two decades pro-vided most of the manual

labour in the kingdom. The "guest worker" system has so

permeated Gulf society that

Kuwaiti refugees living in hotels in the Eastern Province

have brought Sri Lankan and

Filipino maids with them to mind their children. Cooks for

Saudi Arabia's front line troops in the desert are Asian immi-

At Zamil Industries, a lead-

ing Saudi industrial group, 85 per cent of the 6,000 staff are foreign, mostly Indians and Fil-

ipinos. They work a six-day, 48-

of what they call the Syrians

grants.

Guest workers say their

farewells to Saudi Arabia

Lara Marlowe --

Interior Ministry announced

reports on a labour force being reshaped by the Gulf crisis

new measures obliging Yemenis, who have hitherto been exempt, to obtain visas and secure Saudi sponsors before coming to work in the kingdom.
The ability to control work-

tral to the Saudis' importation of foreign labour. Immigrants are given single-entry visas and their passports are usually held by their employers during their stay to stop them moving to better jobs or leaving the country on short notice. Some labourers, eager to leave because of the Gulf crisis, have had difficulty obtaining exit visas or repatriating savings in

hour week - many of them as steel welders in stifling heat. Saudi riyals.

The Saudi government has for more than a decade attempted to "Saudi-ise" the Labour unions are illegal. Until now, Saudi Arabia has encountered little difficulty in country's labour, but with limited success. Saudis refuse to work for the low salaries that enticing foreign workers with salaries up to five times what poor immigrants could earn at Asians and poor Arabs accept and will not perform menial home. Saudi officials say pri-vately however that the Gulf crisis has already begun to reshape the labour force, with Asian workers leaving and new Yemeni, Jordanian, Sudanese tasks currently undertaken by Sri Lankans and Bangladeshis. While Saudis will never become janitors or ditch-diggers, the government hopes that more of its citizens will take low-level clerical posiand Palestinian workers being refused entry because of their

leaders' support for President Saddam Hussein of Iraq. For the poorast of the remaining foreign workers, life in Saudi Arabia is a joyless, if Many of the thousands of Egyptians who had such a bitter experience in Iraq are remunerative, experience. Luis, a Filipino driver, is sup-porting 10 members of his famexpected to join the new Sandi labour force. More Syrians will also find work in the kingdom, ily, who live in Manila.
"I work 12-hour days and

**BUSINESS WANTED** 

then I go home to a room that I

he says. "We get on each other's nerves and sometimes there are fist-fights. There is nothing to do for entertain-

A--- ---

Many of Saudi Arabia's expatriate workers are political exiles or refugees from civil wars in Lebanon, Kashmir, southern Sudan and Sri Lanka. Mohammed, a hotel receptionist, fled Pakistan eight years ago, pursued by the guv-ernment for his activities in the Moslem League. "The first year, I thought I was going to die of loneliness and boredom;" he says. "After that, you get mumb. I don't even think about home any more." Separation from their fami-

lies and fear of war are the most common complaints among Saudi Arabia's poorer
"guest workers". Makboul, a
Pakistani, sees his family only
once every two years: "My children go to the English school
in islamabad. I cannot afford to

m is annated. I cannot among the heap them here.

"If a married couple comes to Saudi Arabia, the woman can't always get a job," Luis says. "I have a friend who brought his wife and she wanted to work. She came under her maiden name. They have to live in separate compounds. They cannot be together. They cannot sleep together. All they can do is meet for lunch in a cafe."

The Financial Times (Europe) Ltd.
Published by the Financial Times;
(Europe) Ltd., Frankfurt Branch,
(Guiolienstrasse 54, 6000 Frankfurt-sm.
Main 1: Telephone 669-75280; Fax.
069-722677; Telex 416193 represented
by E. Hugo, Frankfurt/Main, and, asmembers of the Board of Directors,
R.A.F. McClean, G.T.S. Damer, A.C.
Miller, D.E.P. Palmer, London Printer:
Frankfurter Societaets-DrunkerelGmbH, Frankfurt/Main. Responsible
editor: Sir Geoffrey Owen, Financial
Times, Number One Southwark Bridge,
London SEI 94fL. The Financial Times
Ltd., 1990.

Registered office: Number One, Southwark Bridge, London SEI 9FIL. Company incorporated under the laws of England and Wates. Chairman: D.E.P. Palmer. Main shareholders: The Financial Times Limited, The Financial News Limited. Publishing director: B. Flughes, 168 Rue de Rivoli, 75044 Paris Cedes 01. Tek (01) 4297 0621; Racc (01) 4297 0629. Editor: Sir Geoffirey Owen. Printen: 3A Nord Ecjair, 15/21 Rue de Caire, 59100 Roubeix Cedex I. ESSN: ISSN: 1148-2753. Commission Partiaire No 67808D.

Financial Times (Scandingwie) Oster-gade 44, DK-14OO Copenhagen-E., Demasti. Teisphone (33) 13 44 41. Faz. (33) 935335.

## ity. South Korea imports all of its oil and 75 per cent of its other imports come from the Middle East.

FINANCIAL TIMES CONFERENCES

The Role of Design & Development in the TRIAD Countries

London, 15 & 16 October, 1990

#### Topics to be Addressed:

- \* The Growth of International Competition and the Importance of Effective **Product Development Management**
- \* Industrial Design as a Source of New Product Ideas
- \* Product Development and an Effective Interface with Design and Marketing
- \* Managing Product Development Against Time Pressures
- \* Turning Market Research into a Product Development, Marketing, Branding and Merchandising Strategy

#### Speakers include:

Professor Takahiro Fujimoto Faculty of Economics, University of Tokyo

Mr Aki Amanuma Sony Corporation

Mr Lawrence P Cabrinety Digital Equipment Corporation

Dr Thomas H Thomsen Braun AG

Mr Arnold S Wasserman Unisys Corporation

Mr Bill Moggridge Moggridge Associates

Mr Gary Rado Texas Instruments

Mr Derek Fawcett Nautech Limited

The conference, arranged in association with the Design Management Institute of Boston, will coincide with the London opening of an exhibition on 'Designing for Product Success' at the Design Council.

Please send me further details.



Financial Times Conference Organisation 126 Jermyn Street, London SWTY 4UJ Tel: 071-925 2323. Th: 27347 FTCONF G. Fax: 071-925 2125 Company/Organisation \_\_\_ Type of Business

### BUSINESSES WANTED!

following sectors to find relevant businesses to acquire, where the management team will remain in

- business to business services
- distribution
- food products importers of building products
- light engineering printing & publishing

your business has pre-tax profits of between £0.25 million and £3 million, please contact Tim Lyle or Mark O'Hara on 071-388 7000 for a preliminary talk in complete confidence.

#### VV LIVINGSTONE FISHER The Acquisition and Disposal Specialists

Acre House, 11-15 William Road, London NW1 3ER A member of RMBRA

#### RESIDENTIAL DEVELOPMENT COMPANY REQUIRED

Halliwell Landau are retained by a client with substantial funds to purchase a residential development company with land bank and work

in progress in the NORTH WEST AND SOUTH OF ENGLAND Reply in strictest confidence to: LA. Craig Esq., Partner, Halliwell Landau, St James's Court, Brown Street, Manchester M2 2JF. Tel: (061) 835 3003 Fax: (061) 835 2994.

### AEROSPACE DISTRIBUTION

PRIVATE COMPANY WISHES TO EXPAND BY ACQUIRING FRANCHISED DISTRIBUTOR IN AEROSPACE OR DEFENCE RELATED DISTRIBUTION INDUSTRY. TURNOVER RANGE

Please write to box H7310, Financial Times, One Southwark Bridge, London SE1 9HL.

#### PLC WANTED IMMEDIATE CASH AVAILABLE. APPLY IN STRICTEST

SHURGEEL DEEN ESQ PRINCIPAL EXECUTIVE **ECONOLUX KITCHENS** 28 TATHAM STREET SUNDERLAND TYNE AND WEAR SR1 2RU

## CONFIDENCE TO:

cash or shares.



#### ACQUISITIONS SOUGHT BY QUOTED COMPANY

We will act swiftly to purchase profitable service businesses for Telephone Charles Mitchell on 081-780 2473 or write to:

Corporate One Limited Riverside House IA The Embankment London SW15 1LB

a significant expansion programme is looking to acquire a Manpower/Placement business in the North East (preferably Teeside/Tyneside based).

Companies which would be of interest would probably be involved with the Construction, Shipbuilding and Offshore Oil industries, and will possess a good management team with a proven track record in this type of business. The type of labour supplied could cover craftsmen through to graduate engineers and secretarial staff.

Pisses write Box F9989, Finencial Times, One Southwerk Bridge, London SE1 SHL

#### WANTED COLOUR PRINTER

Successful short run colour printer, with large national sales base, seeks acquisition/merger with sheet fed colour printer in the Midlands area. Turnover requirements are between £2 million and £8 million.

All replies treated in strictest confidence. Please write to Box H7308, Financial Times, One Southwark Bridge, London SE1 9HL

#### INFORMATION TECHNOLOGY

Quoted company seeks immediate acquisition opportunities, prospects with profits above £100,000 in the IT and related industry.

Write to Box H7302 Financial Times. One Southwark Bridge London SE1 9HL

## **EXHIBITIONS/CONFERENCES**

Acquisitive company wishes to buy established exhibitions and/or conferences. Contact in complete confide Vivian Ashworth, Chairman, EXPO INTERNATIONAL, 402 Southbank House, London SE1 78J Tel 071 582 9116/Fax 071582 4272

#### COLOUR PRINTER WANTED

London or home counties. Turnover £800,000 or more. Write with brief details to Box H7325, Financial Times, One Sothwark Bridge, London SEi 9Hl.

Creditors pressing? Gloomy about the future? Want to retire?

We are a Northern based private company with substantial funds available for acquisition or margers of all or part of large and medium sized private and public companies.

- Anywhere in the UK
   Minimum surnover £1M. • 100% or part sale only

 Immediate response and de Write to or telephone John Rudd, Abingway PLC, Greengates House, Harrogate Read, BRADFORD — 0274 622622 (Principals only, please

ACCOUNTANCY PRACTICE BLOCK OF FEES WANTED BILACIE OF FEES WANTED

On behalf of a Central London first
of Chartered Accountants we would
like to hear from practices who ere
considering disposing of a block of
fees up to £1M. Enguiries will be
treated in strict confidence and early
receives arranged.

For further information piene contact Richard Harriey FCA on 021 454 9682 or write to Rarriey Management Resources, 36/38 Whitefarms Street, London, EC4Y 8BR

#### TAX LIABILITIES

We will normally pay a sub-stantial premium for near dormant companies with tax liabilities over £1m . Fax +41 21 825 1019 The (CB) 94011111 BANE C.

STATE OF THE STATE

The state of the s

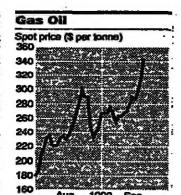
supply crisis for 21 industria-lised countries.

As a result, the governing board of the IEA is not expecboard of the IEA is not expec-ted to adopt emergency mea-sures, such as releasing gov-ernment oil stocks or introducing demand restraint measures, in response to the Gulf crisis when it meets in Paris on Friday.

The agency estimates that Opec production in September will average 22m barrels a day, hundreds of thousands of bar-rels a day higher than had

Opec production is thought likely to average 22.2m b/d in the fourth quarter, putting the cartel's output close to the 22.5m b/d production celling agreed at a meeting in late

The official said that the surge in production had already led increased supplies in consumer countries



ever, that the supply situation could be tight through the win-ter, particularly in the supply of refined products.

"We're in a manageable crude situation. As we go into the winter, the possibility of severe weather or industrial accidents (in refineries or oil production facilities) will increase our susceptibility to regional supply problems."

The IEA analysis also assumes there would be no fur-

ther disruption to supplies, beyond the 4.3m b/d lost from Kuwait and Iraq, caused by a Middle East war that could

"If that happens all bets are off," the official said, IEA said that while member countries were aware of arguments that governments should release stocks in order to calm markets, indications are they would prefer to wait in case a more severe supply crisis develops.

"It is a question of keeping your powder dry."
According to the IEA, oil companies have refrained from the stocking of oil that nor-mally occurs in the third quarter. Commercial stocks are estimated to have have been steady in the quarter, com-pared to IEA estimates before the crisis that stocks would increase by 600,000 b/d during the period.

On the assumption that Opec production is maintained at 22.2m b/d in the first quarter of 1991, commercial oil stocks would decline to cover about 65 days of forward consumption by April 1. This assumes a commercial stock draw of 1.5m b/d in the fourth quarter, and a 1.3m b/d stock draw in the first

This is relatively low, but we do not consider it abnormal or unmanageable," the official

days' forward consumption on April 1, compared with a figure of 67 days a year earlier.

could cope with the relatively heavy crudes which are replacing Iraqi and Kuwaiti exports.
Although industrialised

countries had not yet experi-enced product shortages, devel-oping countries in South Asia, along the Pacific Rim, and those in East Africa were hav-



Hundreds of Philippine jeepney (minibus) drivers protested at petral price rises yesterday in

## Mitterrand puts four-point peace plan

By Robert Mauthner and Michael Littlejohns in New York

KUWAIT Petroleum undeterred by the Iraqi invasion of Kuwait - is preparing to relaunch its UK lubricants business next month, following a reorganisation and rebranding of the Carless Lubricants business which it acquired 14

By Steven Butler

**Kuwait Petroleum to** 

relaunch lubricants arm

months ago.

The relaunch is proceeding on schedule and managers at Kuwaiti Petroleum Lubricants (KPL) are keen to emphasise that the business has been unaffected by the Gulf crisis. Products are appearing with KPL labelling and the company is planning a series of seminars with customers to introduce the company's cus-

tomer service policies. Kuwait Petroleum Interna-tional, a subsidiary of the Kuwait national oil company which owns and manages a big European raining and market-

ing business, bought the Inbri-cants business from Kelt Energy for about 128m follow-ing Kelt's hostile takeover of Carless, Capel & Leonard. The business has about a four par cent share of the UK industrial and consumer lubricants mar-ket. It sell 35m litres of lubricants annually with a turnover

of roughly 217m. Mr Alan Tucker, KPL's managing director, says the com-pany hopes to add a few points to its market share by focusing on the "quality" end of the market, where higher margins are justified by a higher level of service to customers.

Mr Neil Griffiths, marketing and sales manager, said: "Kuwait has actually broughtcustomers to the business because Kuwait is perceived as a quality operation. People realise we are here to stay."

NO compromise is possible in the Gulf crisis as long as Iraq does not comply with United Nations resolutions and withdraw its troops from Kuwait, said French President François Mitterrand in New York yes-

"The sovereignty of Kuwait is not nego-tiable any more than that of others," Mr Mitterrand said in a remarkably tough speech to the UN General Assembly on the first day of its general debate. However, he tempered his remarks with a promise that, if Iraq withdrew its troops and freed its hostages, "everything is pos-

Mr Mitterrand was particularly critical of the attitude of President Saddam Hussein in dealing with the crisis. "Not one gesture, not one word thus far from the president of Iraq has given us even a glim-mer of hope for conciliation," he said, emphasising that Mr Saddam had shown complete disregard for the UN, which had been created to preserve peace in the

The French president also expressed deep disgust at the use the Iraqi leader had made of hostages. "How can we accept

that some of them were made to serve as human shields, for a conflict that is not their own?"

Clearly referring to reports that Iraq had apologised for the violation of the French ambassador's residence in Kuwait, Mr Mitterrand said that, if there had been a mis-take, why was it proclaimed it so late? Stressing that the choice was between

Stressing that the choice was between the law of the jungle and that of the rule of international law, he nevertheless refused to say that all hopes of a solution were dead. "We are prepared to take up any chance for peace because our logic is the logic of peace against the logic of war, which has been imposed upon a terrified world by level policy."

world by Iraqi policy."

Though the Arab world still had not overcome its divisions, Mr Mitterrand felt the efforts being made by Arab leaders continued to offer some prospect of a possible solution.

He sketched out a possible four-stage

solution to the crisis. In the first instance, Iraq had to comply with the UN Security Council's resolutions and withdraw from Kuwait. The international community, which had condemned the aggression, would be able to guarantee the withdrawal of military forces and the restoration of

Kuwait's sovereignty.

In this context, Mr Mitterrand emphasised that "the will of the Kuwaiti people" would also have to be taken into account, suggesting that some kind of referendum should be held in Kuwait.

should be held in Kuwait.

The third stage would be an international conference, which would safeguard the implementation of any solution. However, Mr Mitterrand did not specify whether such a conference would be separate from the proposed Middle East conference to settle the Israeli-Arab dispute.

Energy reductions should be nego-

Finally, arms reductions should be nego-tiated for the whole Middle East region. Mr Mitterrand said this implied direct dialogue among all concerned, until con-frontation in the Middle East was replaced by "the dynamics of good neighbourli-

ness".

• Iraq yesterday rejected a US offer to let its foreign minister's official aircraft take him to New York for the UN General Assembly if Baghdad freed Americans held in Iraq, Reuter reports from Baghdad.

#### NEWS IN BRIEF

## Saudi minister denies oil profits windfall

SAUDI Arabia is not making windfall gains from the rise in oil prices, its finance minister, Sheikh Mohammad Abalkhail, said yesterday, Stephen Fidler writes from Washington. He said the heavy financial costs associated with the "reprehensible" Iraqi invasion of Kuwait greatly exceeded additional revenues.

The costs, he said, related to defence requirements and those arising from human displacement and included assistance to countries affected by the crisis.

Saudi Arabia had increased oil production to its maximum capacity in an effort to bring back stability to oil prices and supplies. Much of the increased production was directed to countries whose supplies have been interrupted, he said.

#### Israel says 'sanctions biting'

The latest Iraqi threats to attack Middle East oil fields and Israel showed sanctions against Baghdad were starting to bite, Yitzhak Shamir, the prime minister, told parliament's Foreign Affairs and Defence Committee, Hugh Carnegy writes from Jerusalem. Detence Committee, Hugh Carnegy writes from Jerusalem.

But officials also expressed concern that President Saddam Hussein's readiness to carry out such threats had increased as a

#### Royal Navy uses landing ships

Four of the Royal Navy's five landing ships will be used in the transport of British tanks and other heavy equipment to Saudi Arabia, the Navy said yesterday, writes David White, Defence

However, negotiations were still going on with UK and foreign shipowners on the chartering of merchant vessels to carry the

bulk of the British armoured force.

This will include most of the 120 Challenger tanks belonging to the 7th Armoured Brigade, based in northern Germany.

#### Iraqi exiled opposition unites

Iraqi opposition groups have shelved their differences to launch a united drive against Saddam Hussein, an Iraqi Shia Moslem opposition leader said yesterday, Reuter reports from Damascus. Ayatollah Mohammed Taqi al-Mudarresi, of the Islamic Action Organisation in Iraq, said representatives of Islamic, Kurdish and Communist groups were meeting in Damascus to set up a government in evile

Water pipeline for Kuwait
Iraq said yesterday it had completed a pipeline to supply part of
Kuwait with drinking water from the Shatt al-Arab waterway,
Reuter reports from Baghdad.

The government-controlled newspaper al-Jumhuriya said the 16-inch pipeline, stretching more than 60 miles, was laid in 25

#### Taiwan to give \$30m aid

Taiwan will give \$30m (£16m) in humanitarian aid to Jordan, Turkey and Egypt for refuges stranded in the Gulf as a result of Iraq's invasion of Kuwalt, Mr Fredrick Chien, the foreign minister, said yesterday, AP reports from Taipel.

Taiwan will decide whether to give the aid in cash or in food and supplies after consulting with the three nations.

Taiwan is not a member of the United Nations.

#### Caracas hits at arms spending

Venezuela's Foreign Ministry has issued a sharp criticism of military spending related to the Middle East crisis and asserted that it would not provide any military support to the international front against Iraq, writes Joe Mann in Caracas.

## The investment...

...the return.



Independent trials prove it -Volvo trucks are leading the way in cutting fuel consumption and distribution costs for industry.

By Paul Taylor, Asia Business Correspondent, in Bangkok

company took the almost unprecedented step of publicly

voicing its concerns about the

speculation, and a senior Shell

all the steps."

Meanwhile, Shell is continu-

ing with preparatory design

work.

But the Thai company's concerns have been heightened by reports that Caltex, which was awarded the "consolation" prize of building a smaller (120,000 b/d), fifth refinery in the south, will be allowed to resite its project on the more commercially attractive eastern seaboard next to Shell's

ern seaboard next to Shell's

Caltex has mounted an

aggressive and apparently suc-cessful lobbying campaign for such a change since being awarded the fifth refinery deal

in March at the same time as

Shell's project won provisional

SHELL Oil's plan to build and week, the usually low-profile jointly operate Thailand's fourth refinery - a Baht 18bn (£376m) project to meet growing demand - could be in doubt because of unexpected delays in final approval of the contract by the Thai cabinet.

Shell's wholly-owned Thai subsidiary, Shell Company of Thailand, won a bid battle with Caltex Oil of the US to build the 145,000 harrels-a-day (b/d) refinery at Mab Ta Phud on the eastern seaboard earlier this year.

The contract was sent to the cabinet for final approval over two months ago, but has yet to

Speculation is growing the government will seek to rene-gotiate terms of the original

agreement with Shell.

Although Shell's Thai subsidiary has yet to be officially informed of the reason for the delay, it is believed the government wants to cut Shell's stake in the refinery construction project, from 64 to 51 per cent, with the remaining stake held by the state-run Petroleum Authority of Thailand (PTT).

Under the original plan, after completion, 30 per cent of the refinery was to be floated in a public share offering, with Shell retaining a 45 per cent stake and the PTT the rest. It is understood the PTT has already approved the proposed change in the initial share structure and that the power-ful National Energy Policy Committee will shortly endorse

the change. If so, it would present Shell's Thai subsidiary – a company employing 800 people, mainly Thais, which has been operat-ing in Thailand for 98 years with a serious dilemma. Last

## Thai Cabinet delay Big business wakes up to Uruguay Round

Chemical industry concern follows long trade involvement, writes Peter Montagnon

end of the Uruguay Round of multilateral trade negotistions, big business is starting to wake up to the implications of the agreements that could be made on their behalf by trade ministers at their final meeting in Brussels in December.

Akzo, says the industry's con-

cern follows naturally from its

Foremost among these groups in Europe is the chemi-cal industry, which has long executive reaffirmed that alteration of the agreed share structure would represent "a radical taken an active interest in the change". Whether such a move would Mr E.W.Meier, adviser to the prompt Shell to rethink its board of the Dutch concern plans or simply cause delay to a "fast track" project due for completion by the end of 1994,

deep involvement in interna-tional trade. It derives 20 per cent of its turnover from out-At the moment, without any official word, Shell executives, in London this week for a longside the Europe Community. Not only has this led the planned strategy meeting, refuse to speculate.

But Mr Howard Shields, managing director of the Thai subsidiary, said: "Our concern about the delay and speculation is that a well-formulated European Chemical Industry Federation (CEFIC) to work hard at reaching a common position on the Uruguay Round with its US and Canadian counterparts; it has also held counterparts; it has also been no less than six meetings with the General Agreement on Tariffs and Trade (Gatt) in Geneva. Mr Meier says officials there have been surprised by the extent to which it is in favour of trade liberalisation. and executed process could be derailed at the last minute on a project where the government has specified time is of the essence and we have planned

Mr Raymond Charbonnel of France's Rhone-Poulenc, adds that CEFIC is prepared to go further, with some exceptions, than the European Commis-sion in matching a US offer in

ITH BARELY two the Round to cut pharmaceutimonths to go to the cal tariffs to zero. But as it cal tariffs to zero. But as it draws up its list of priorities for the final stage of the Round, the main focus has become improving the rules under which international trade operates.

It was led to this conclusion by its growing awareness that trade policy is not a one-way street. An industry active in export markets and with a large home market to defend has to seek rules that will not be turned against it by its overas competition.

Its main concern is thus to ensure fairness, predictability and transparency in the operation of international rules. On specific issues, it also tends to plump for a middle line which in some cases is less extreme than that espoused by the European Commission in the negotiations.

For example, in the debate over safeguards - measures that can legitimately be employed to protect industries against sudden surges of imports - CEFIC says it is in favour of allowing these to be used selectively. But it adds this must still be possible only under carefully controlled conditions. Selective safeguards must be limited in time, and countries which employ them should pay compensation to the exporting country. The Commission, which has

Gatt officials have been surprised at how far the European chemical industry favours trade liberalisation

selective safeguards in the Round, goes too far, it believes, in calling for the right for selective safeguards to be imposed provisionally,

'if we are not careful," says Mr David Bricknell, CEFIC Director, "we shall fashion a gun that could be used against us and we shall be shot." Mr Bricknell says that diffi-

culty in pursuing complaints under the safeguards rule has led chemical companies to concentrate more heavily than otherwise on anti-dumping actions. In fact, the number of anti-dumping cases brought by the European chemical industry historically far outstrip those in consumer electronics. even though the latter have attracted much greater public-

Now that anti-dumping is also a major part of the Uru-guay Round agenda, CEFIC is also proposing a middle line. Although it joined in the almost universal condemnation of the first paper on this subject produced by Mr

Charles Carlisle, Deputy Directhey want rules on intellectual tor-General of Gatt, in July, it says it is prepared to see some tightening of the procedures for bringing anti-dumping cases, because it fears the present rules would allow indiscriminate use of this instrument against European exporters by developing coun-

It is also keen to see rules written into the Gatt allowing importing nations to take steps to prevent circumvention of anti-domping duties.

tries such as Mexico and Tur-

These must, however, take account of the chemical industry's position and not be tailor-made to fit the electronics industry which has been the main source of controversy in

this area.
In particular, it is worried that tight rules preventing input dumping would hit the chemical industry which imports many of its raw materials. Its concern lies more in preventing exporters from switching the location of supply to get around dumping

Among its other objectives are a binding dispute settle-ment system within the Gatt, coupled with an improvement in the quality of panel judg-ments which Mr Meier believes could be achieved by the co-opting of practical business-men to Gatt panels. CEFIC officials also say that

property protection, embodying strong provisions for non-discrimination, actually written into the Gatt.

Controversy in this area remains one of the most difficult obstacles to a final agreement, with developing countries implacably opposed.

But Mr Reinhard Quick of CEFIC's legal department says including intellectual property in the Gatt (which would require a two-thirds majority of its membership) would be preferable to a code signed by only a handful of participants.

Gatt members could opt out of this commitment if they wished, but it would still be part of the basic Gatt Articles. Whether CEFIC succeeds in achieving all these objectives remains to be seen. There is strong room for doubt on intellectual property, and its rela-tively restrictive approach to selective safeguards is likely to meet fierce opposition from both textile exporters and developing countries who do

not want any selectivity at all. Balancing all these different viewpoints in a practical way is now likely to become a major headache for governmajor neadache for govern-ments as they struggle towards an overall agreement, which, in the tradition of Gatt, has to satisfy everybody by the time the December deadline is

US sets deadline for tariff cut talks

By William Dullforce in Geneva

THE US has set a deadline of November 15 for the conclusion of talks with some 40 countries on reciprocal tariff cuts and the lowering of other import barriers to trade.

The US aim is to speed lagging negotiations in the so-called market access areas in the Uruguay Round trade

The time limit was announced last week at the first joint meeting of four groups which have been dis-cussing separately for the past three and a half years:

• A 33 per cent overall cut in

O Cuts in non-tariff barrier such as import quotas and other quantitative curbs;
• Liberalising of trade in tropical products to benefit loping countries; Opening markets for exports of natural-resource

ased products. The "market access" area The "markst access" area covers Gatt's classical tradeliberalising activities, as distinct from new subjects such as intellectual property rights and services introduced in the 
Uruguay Round.
The area also encoupasses

The area also encompasses crucial talks on world farm trade reform and on liberalising trade in textiles and clothing, where progress still depends on top-level political decisions, primarily in Washington and Brussels.

Last week's joint meeting was intended to find ways of combining the four groups into one berries requires says.

into one berrier-reducing ever cise before the Round ends in

Mr Julius Katz, Deputy US Trade Representative, com-plained in July that offers by governments to reduce tariffs amounted to less than helf the target set for the Uruguay

Round.

By last week, 45 participants, including all major trading blocs, had tabled proposals for cutting their tariffs. Some countries, notably Hong Kong, Indonesia, Malaysia and South Korea had substantially improved their driginal offers. But intensive discussions on the grehauge of tariff concess. the exchange of tariff concessions on a bilateral hasis were seriously started only two weeks ago and are behind schedule. The European Commission is especially blamed by some negotiators for inability to handle the work-load in General

in the talks on liberalising tropical products, 48 partici-pants have submitted propos-als going well beyond the par-tial lowering of barriers agreed at the Round's midterm review in December, 1988. Some delegations have made their offers conditional on their interests in other

areas of the Round being met,

## McDonnell seeks partners in new trijet

McDonnell Douglas of the US has asked international aircraft makers to indicate their interest in joining as risk-shar-ing partners in its new MD12X three-engine commercial airliner project by October 5,

Paul Betts reports. The US company is seeking partners to develop and build

HOW TO ARGUE WITH A DOT MATRIX

Take a look at the Canon BJ-10e. It's an entirely new concept in compact printers. And it beats most dot

matrix printers hands down. Here's why. A dot matrix in action adds considerable noise to

the working environment. The Canon BJ-10e is almost silent. The average dot matrix

cannot conceal what it's doing - printing dots. The BJ-10e, working at 360dpi, gives the rich, black

output of Near-Laser Quality. Would you like more space on your desk? Then you will be glad

to have the Canon BJ-10e. Even with optional automatic sheet feeder, the BJ-10e is one of the world's

smallest desktops. PORTARITY But the best is yet to come. Unclip the sheet feeder, and the

the wing and fuselage of the new trijet, a stretched version of its MD11 airliner due to be delivered to its first customers at the end of this year.

McDonnell Douglas would

been fighting a lone battle for

risk-sharing partners.

The MD12X will be 35ft longer than the 200ft MD11, and will need new wings developed — a particularly costly feature of the project. The US group says it expects to enter discussions with at least two competitors for the separate wing and fuselage deals. like to launch the MD12X programme formally next year, but this is expected to hinge on its ability to secure the

#### Japanese groups in deal to end amorphous metals row

By Peter Riddell, US Editor, in Washington

JAPANESE companies have agreed to buy large quantities of amorphous metal alloys used in electric power transformers from Allied Signal of New Jersey to resolve a US/ Japanese trade dispute over market access for the product.
Allied Signal had filed a formal complaint claiming that Japanese companies had conspired to block sales of its amorphous metal alloys which it says save a high proportion of the electricity lost in con-ventional transformers.

The US company alleged that the Tokyo government had persuaded Japanese utili-ties to defer purchases of such products until locally produced versions were available and

Allied Signal's Japanese patents had expired. Following lengthy negotiations last week, the US Trade Representative Office's said Aliled Signal had indicated it was satisfied with the agreement and would not refile a complaint against Japan under the Section 301 provisions of the 1988 Trade Act.

Japanese companies have agreed to purchase amorphous metal alloys to be used in the production of 32,000 electric transformers.

Separately, Allied Signal is holding private talks with Japanese steel producers which may be licensed to use the US company's patents for amor-

#### Plan to boost Scandinavian trade

union aimed at easing Sweden and Norway into the European the currencies of Denmark, Norway and Sweden, has been proposed by Mr Niels Petersen, Denmark's Economy Minister, Hilary Barnes reports from

Mr Petersen will raise the matter at the annual meeting of the IMF in Washington later this week. A union entailing

A SCANDINAVIAN currency one Krone for all three countries would increase the credi-bility of Swedish-Norwegian encourage intra-Scandinavian trade, Mr Petersen added.

> Denmark is an EC member but Norway and Sweden are not. Economists here say that if Sweden and Norway want the benefits of the EMS, they might do better to seek direct association with it.

## Northwestern University

Graduate School of Management Programs in Executive Education

Located near Chicago's dynamic business community, the Kellogg Graduate School of Management of Northwestern University offers some of the best of America's executive education programs. Choose from a wide variety of programs railored to specific management responsibilities. Learn from distinguished faculty in the company of fellow executives. Learn from an outstanding American business school: Kellogg Graduate School of Management.

February 10-March 8, 1991 June 23-July 19, 1991 Advanced Executive Program

A four-week program for senior executives who have crossfunctional or general management responsibilities. The curriculum emphasizes the organization's environment and the firm's managerial functions. To demonstrate linkages and tradeoffs of these two areas, an integrative case is team-taught by the faculty.

**Executive Development Program** 

May 5-24, 1991 July 21-Aug. 9, 1991 October 6-25, 1991

A three-week program for managers perceived to have potential for senior-level management responsibilities. The program covers management functions, macroeconomic theory, international policy, and comperitive analysis.

International Advanced Executive Program Burgenstöck, Switzerland

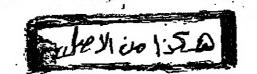
September 1-14, 1991

A two-week program for general or senior functional managers responsible for international operations. The curriculum encompasses managing a global economy, formulating and implementing strategies for the multinational organization, and marketing across international boundaries. Faculty from the Kellogg School and leading European universities conduct the program. The program concludes with an integrative case in which participants design a coordinated Asian, European, and North American strategy for a major corporation.

For further information on these and other Kellogg executive programs, contact Executive Programs

Kellogg Graduate School of Management Northwestern University James L. Allen Center, Dept. FTA Evanston, Illinois USA 60208-2800 Phone 708-864-9270 Fax 708-491-4323 Telex 821564





By John Elliott in Taipei

TAIWAN expects its economic growth rate to fall to about 4.5 per cent this year, which is far lower than had been expected and compares with 7.3 per cent last year.

last year.

This was revealed in an interview yesterday by Mr Vincent Siew, minister for economic affairs, who also said that next year's growth could "perhaps be even lower" than 45 per card.

"perhaps be even lower" than
4.5 per cent.

The next 18 months to two
years would be "very difficult".

This is a dramatic setback
for one of Asia's most vibrant
economies, which has had 28
years of economic growth averaging 9 per cent a wear Averaging 9 per cent a year. Average growth of 6.5 per cent had been projected by the govern-ment through the 1990s. The economy has been hit

hard by a six-month slump in Taipei's previously booming stockmarket. This has dramatically cut consumer spending and removed 25 to 3 percent-age points from the growth fig-

Increases in oil prices have further eroded prospects, which were hit earlier by export problems. Export perfor-

 $\frac{2 \cdot (1 + \sqrt{2})}{2 \cdot \sqrt{2} \cdot (1 + \sqrt{2})}$ 

 $f:(X) \to \emptyset$ :... 1 1.1.1 12 <u>12</u>

mance worsened sharply in the first half of the year when it fell by 0.8 per cent, the first negative figure since the early 1980s.

Mr Siew, who was appointed to his present post three months ago, said the country would "probably have to suffer low growth for one or two years" while it adjusted.

He argued that this could be seen as a "healthy develop-ment" because excessive growth and stock market speculation during the past few years had "not been healthy". He said he hoped that plans to speed up big infrastructure projects would prevent the figure falling below 4.5 per cent

But the government has failed in the past two years to bolster economic growth with these projects, which have been held up by high land prices, shortages of labour and environmental issues.

A special task force had been set up under the chairmanship of Mr Hau Pei-tsun, the prime minister, to clear blockages

## Taiwan expects | World airlines queue for Qantas | Bhutto faces second charge stake in Asia-Pacific expansion

THE partial privatisation of Qantas, the Australian interna-tional airline, and the outright sale of Australian Afrikaes, the state-owned domestic carrier, is expected to lead to a significant realignment in the inter-national airline industry in the fast growing Asia-Pacific mar-

Leading international carri-ers including British Airways, Lufthansa, American Airlines, United Airlines and Japan Air Lines, are all understood to be interested in acquiring a stake in Gantas to establish a close partnership with the Austra-lian long-distance carrier. The industry is already brac-ing itself for what is likely to

these carriers, all seeking to expand global operations and strengthen their competitive position in the Far East, where air travel has been growing at a rate of more than 10 per cent and by 20 per cent and more in some areas such as Japan, Singapore, Hong Kong and Thailand

BA is considered to be in a particularly strong position to acquire a stake in Qantas. Under the Qantas sell-off proposals approved yesterday by the Australian Labor Party, foreign investors will be able to acquire up to 35 per cent of Qantas has made no secret of its interest in establishing a preferential relationship with BA. Talks between the two companies are understood to have already started.

Aithough BA declined to comment yesterday, Australian officials confirmed there was

considerable interest in an association with BA because of the affinities between the two airlines. BA and Qantas already co-operate on engineer-ing BA also has ties with Australian Airlines, the domestic

For BA, a stake in Qantas would considerably reinforce its international operations by closing up the existing gap in the Far East in its global network. BA unsuccessfully tried to acquire a stake in Air New Zealand last year, although it subsequently secured an important marketing agreeimportant marketing agree-ment with the New Zealand

Qantas has also been looking for strong international part-ners not only to inject hadly needed capital but also to help the carrier compete against the other big and expansionminded Asian carriers such as Singapore Airlines, Thai Air and the large Japanese carri-

A partnership between BA and Qantes, which could also include other international carriers to form an important new airline grouping in the Asia-Pacific region, could also help improve the traditionally difficult relations between the UK and the Australian governments over bilateral air service

agreements.

However, the UK authorities also risk facing a delicate dilemma since Qantas is anxious to secure rights to Hong Kong. This is likely to be resisted by Cathay Pacific, the Hong Kong-based carrier.

US carriers are also expected to bid for a stake in Qantas. American Airlines is currently seeking to expand in the Asian market and has already reached a marketing agreement with Cathay. United Airlines, which has a marketing agreement with BA, is also agreement with BA, is also said to be looking at Qantas.
But the likely interest of Lufthansa in Qantas could intensify the current rivalry between BA and the West Ger-

man airline. RA and Lufthansa are already involved in a battle over the future Berlin hub and both are trying to secure a large minority stake in Inter-flug, the East German carrier. The dog fight could now also be extended to Australia.

FORMER prime minister Benazir Bhutto was ordered yesterday to stand trial on a second corruption charge, the state-run news agency said, AP reports from Lahore.

A special one-judge court ruled that Pakistan's armybacked government presented enough evidence to indict the former premier on a second

former premier on a second corruption charge. The civil proceedings are to start on October 9.

The corruption charge alleges Ms Bhutto gave lucrative contracts for the distribution of liquefied gas to friends and relatives. A day earlier Justice Rashid Aziz Khan ordered Ms Bhutto, 37, to stand trial on October 2 on another corruption charge, stemming from the alleged illegal sale of government-owned land.

If convicted, Ms Bhutto could be barred from the elec-

tion on October 24 and from participating in politics for up to seven years. Ms Bhutto is a candidate for the 217-member National Assembly, the power-ful law-making lower house of parliament.

Ms Bhutto was not immedi-

ately available for comment. However, her aides said she has been in meetings with her legal advisers for much of the time since Sunday's court rul-

Ms Bhutto has said previonsly that she will not appear before the tribunals set up to try corruption charges against



ment. Legal experts say Ms. Bhutto could be tried in absentia and held in contempt of court, possibly facing a fine or

On August 6, President Ghu-lam Ishaq Khan, using his con-stitutional powers dismissed Ms Bhutto's 20-month-old gov-ernment on charges of corruption, political incompetence and abuse of power.
Four corruption charges

two filed in Lahore and two in her hometown of Karachi

have been filed by the carataker government before special tribunals.

The two Karachi charges are still pending and expected to

be heard on Saturday.
Evidence presented against
Ms Bhutto yesterday alleged
the Western-educated leader
gave valuable distribution contracts for the liquefied natural
gas to a cousin, among others.
The charge accepted on Sunday claims Ms Bhutto
approved the sale of 287 acres
(115 hectares) of federal land to
a London-based company opera London-based company operated by another cousin. The land, which was sold at sharply reduced prices, was to be used for a luxury hotel and

resort outside the capital of Special one-judge tribunals Special one-judge tribulats date to the days of Pakistan's military ruler, General Mohammad Zia ul-Haq, who created them in 1977 to try Ms Bhutto's father, Zulfikar Ali Bhutto.

Mr Bhutto was overthrown by General Zia in July 1977 and was hanged two years later. President Zia died in August 1988 in a mysterious aircraft crash. Ms Bhutto won elections three months later in the country's first free polls since her father's execution. She became the first woman to lead a mod-ern Moslem nation.

Since her dismissal, Ms Bhutto's military-backed sucpaign to portray her adminis-tration as the most corrupt in Pakistan's 43-year history.
But several Pakistani and foreign diplomats have criticised the tribunals as blatantly

Indian students

continue protest

### NEWS IN BRIEF

## Liberian rebel leader to organise elections

LIBERIAN rebel leader Mr Charles Taylor said yesterday he would organise general elections in Liberia for October 10, but a senior official of the peacekeeping force now in the country scoffed at the proposal, Reuter reports from Freetown.

Mr Taylor said during a BBC radio interview that elections would be open to opposition groups including a breakaway rebel faction under Prince Johnson. "We are sending 10 members from our delegation to meet with the other (Johnson's) faction to begin to discuss bringing this country back to normal."

But in Freetown in neighbouring Sierra Leone, a senior official with the Ecomog peacekeeping force said: "It's not a serious proposition. What does Taylor control? How many children attend school on his side, how many hospitals are open?"

#### Angola peace talks resume

Angola's Government and Unita rebels resumed peace talks yes-terday amid hopes that the presence of US and Soviet observers would help to unblock an impasse and end 15 years of war,

Officials at this fourth round of negotiations said Unita and government officials were holding informal contacts at a secret venue near Lisbon. Full talks were set to begin today with representatives of Washington and Moscow — backers respectively of Units and the Angolan government - on hand to give advice on any eventual truce.

Seoul hopes for links with North South Korea will seek agreements on transport and telecommunications links and on economic exchanges at forthcoming premiers' talks with North Korea, an official said yesterday, AP-DI

reports from Seoul.

The Seoul Government also hopes North Korea will agree to open telephone hot lines between high-ranking military officers and agree to prior notification of military manoeuvres, said Mr Lee Jin, chief secretary to the Prime Minister.

Earthquake hits Iranian city An earthquake measuring 5 on the open-ended Richter scale jolted the city of Ardebil in Iran's East Azerbaijan province yesterday, the official Islamic Republic News Agency reported, Reuter reports from Nicosia.

Kenya murder report finished A British detective who spent more than three months investiga-ting the slaying in February of Kenya's foreign minister yester-day handed his voluminous report to the attorney general, Reuter reports from Nairobi.

#### **Communists** end Philippine ceasefire

COMMUNIST guerrillas in the Philippines have ended a lim-ited truce with President Carazon Aquino's government and said they will step up their 21-year insurgency, writes Greg Hutchison in Manila. Mr Romulo Kintanar, chief

of staff of the New People's Army yesterday cited Friday's 25 per cent rise in retail oil prices and violent police

prices and violent police action to disperse protests against US military bases for the rebels' change of heart.

The ceasefire covered Metropolitan Manila, Mountain Province, Baguio city, Benguet and Nueva Viscaya – northern areas strongly affected by last July's powerful earthquake. The NPA started the ceasefire The NPA started the ceasefire tmilaterally after the July 10 certhquake. The government followed up

on September 12 with in a belated but to revive the peace process with the marxist rebels, stalled since January 1987 when a two-month ceasefire when a two-month ceaseire and peace conference broke down after soldiers killed 12 people during student and labour demonstrations.

Yesterday, protesters opposing Friday's oil price rise took in the street of the central

mg Franky's on grace rise took to the streets of the capital. Public transport was hit by a minibus drivers' strike. Schools were suspended for a second day today as teachers join the protests.

The convergment to also

The government is also under pressure from a bomb-ing campaign by rightist mili-tary rebels who now appear to be targeting hotel rooms in the

Meanwhile, a 25 per cent rise was announced yesterday in minibus fares, the first of many price rises expected to flow from the government's sion to raise oil prices.



Surrounded by singing supporters, Mrs Winnie Mandela (second left) yesterday appeared in Soweto Magistrate's court on four charges of kidnapping and four of assault with intent to do grievous bodily harm, writes Philip Gawith in Johannesburg. She was accompanied by her husband, Mr Nelson Mandela

(left), deputy president of the African National Congress. The case, which involves seven other accused, was

postponed for trial in the Rand Supreme Court on February 4. The charges arise out of the alleged abduction in December 1988 by Mrs Mandela and the other accused of 14-year-old Stomple Scipei

of October 30 was postponed when Mrs Mandela's attorney. Mr Ismail Ayob, successfully argued that she would suffer "substantial prejudice" since it would leave her defence less than two weeks in which to prepare a case.

De Klerk in Washington, Page 10

## UN hopeful for new boat people scheme

THE United Nations High Commission for Refugees hopes the first batch of "nonvolunteer" boat people will be returned to Vietnam from Hong Kong by the end of next

This follows agreement between Vietnam, Britain, Hong Kong and the commis-sion to create a new category of boat people who have been "screened out" as illegal immigrants rather than genuine

The new category will cover boat people who have not vol-unteered to return but do not actively oppose repatriation. Details of the new scheme have yet to be worked out.

Hong Kong hopes the agree-ment will restore the number of non-refugees returning to Vietnam to its target of 1,000 a month. An existing scheme Hong Kong has relaxed immigration rules for main-land Chinese passport hold-ers in a bid to ease the effects of the colony's

mounting "brain drain",
Angus Foster writes.
Hong Kong will now allow
holders of Chinese passports
who have lived in a third country for more than two years, and possess a special skill not available in Hong Kong, to work in the colony. The brain drain is being

covering voluntary returnees has been losing momentum. Between February and August about 400 bost people volunteered each mouth.

But Mr Jamshid Anvar, the

new director for the comm sion's Asia and Oceania bureau, admitted it was not yet clear whether such a category

blamed for a widely per-ceived management and skills shortage in Hong Kong. This year more than 60,000 people are expected to leave in search of a foreign passport ahead of 1997 and Hong Kong's return to Chi-

nese sovereignty.

The number of applicants following the change in the rules is expected to be small, because most mainland Chinese are discouraged from travelling or living abroad.

of non-volunteers existed. He said there were two schools of thought on the mat-ter, with one school saying the category was imaginary.

"There are others who ganuinely believe this group exists and we now have to test it."

He said counsellors would

the new category. Such people might not see returning to Vietnam as "ideal", he said, but they would not actively oppose going back.

Hong Kong has more than 44,000 boat people in camps scattered around the colony.

Nearly 13,000 host neoole have

Nearly 13,000 boat people have been screened out as illegal According to some observ-

ers, the difference between mandatory repatriation, the term used by the British and Hong Kong governments to describe forced returns, and returning non-volunteers is a question of semantics.
But Mr Anvar insisted the

return of non-volunteers did not amount to mandatory repa-triation. "Mandatory repatriation gives people no choice, this [new agreement] gives people the choice to say no," he said.

## A COLLEGE student set himself ablaze yesterday at a crowded intersection as pro-

crowded intersection as pro-tests against the job quota pol-icy of Mr V.P. Singh, the Indian prime minister, entered their eighth week, AP reports from New Delhi.

Two other people attempted self-immolation in Jaipur, 300 km southwest of New Delhi, United News of India said.

United News of India said. In New Delhi, Surinder Singh Chauhan, 22, doused himself with fuel from a motorcycle and immolated himself, witnesses said. A doctor at the nearby hospital where he was taken said he was unlikely to

live through the night.

The students claim the government has set a policy of reverse discrimination by reserving desirable govern-ment jobs for low casts Indi-

Kaunda accepts multi-party

system calls

By Mike Hall in Lusaka PRESIDENT Kenneth Kaunda,

opening a five-day session of his ruling party's National Council yesterday, recom-mended the re-introduction of a multi-party system and the cancellation of a referendum scheduled for next year. The two-month old Move-

ment for Multi-party Democracy immediately welcomed the statement. Mr Arthur

Wina, the Movement's chairman, said: "It amounts to the achievement of our agenda."

President Kaunda said campaigning in the lead up to the referendum was dividing the action: "I see blooded at the nation: "I see bloodshed at the end of the road and I see disas-ter for the country." He went on: "Let us make these people who are now hiding behind empty multi-party slogans, who are shielding behind false accusations of oppression by UNIP, sit down and think what it is like to run a real political

Mr Kaunda recommended to the 600 delegates, most of whom are appointed by him, that a commission be set up to determine what constitutional

# Introducing Japan's top performance vehicle.

The Nikkei 225. Now available on the CME.

The broad-based, blue chip Nikkei 225 is Japan's most widely followed stock average. In Japan, contracts based on this index trade five times more than the closest competitor. And now the Chicago Mercantile Exchange, the exchange with the S&P 500° futures and options markets, has exclusive rights in North America to bring Nikkei 225 Stock Average futures and options to hedgers and traders around the world.

The addition of the Nikkei 225 is one more step in the globalization of the world's financial markets. And with it, the CME

gadaren -

will make participating in the rapidly expanding Japanese stock market more efficient than ever before. Because now Japan's top performance vehicle will offer standard features like dollar settlement, U.S. trading hours, deep, liquid markets and tight bid/ask spreads. Nikkei 225 Stock Average futures and options on the CMEthere's no better vehicle to get you

For a free Nikkei 225 futures and options trading kit, call 4471-920-0722 (London). 1-800-331-3332 (U.S., toll free), 1-312-930-8213 (outside U.S.), 813-595-2251 (Tokyo).

CHICAGO MERCANTILE EXCHANGE" The Exchange of Ideas

"Standard & Poor's 9", "S&P 9", "S&P 5009", Standard & Poor's 500" and "500" are service marks of Standard & Poor's Corporation and have been licensed for use by the Chicago Mercantile Exchange. The Nikkel Stock Average is owned by and proprietary to Nithon Keral Shimburt.

## India's tractor makers prepare for growth

#### K.K Sharma explains that changes in bank lending rules could help sales take off

EICHER Tractors, the Delhi-based company which commands over 14 percent of india's growing tractor market, is gearing up for rapid growth in the industry.

With three plants already up and running in Haryana, Rajasthan and Himachal states, Mr S.K. Bhargava, a director of the company, says confidently. "If all goes well, we should be setting up a completely new unit, doubling our procompletely new unit, doubling our pro-duction in the next few years."

Funds for the expansion are not a problem because Eicher has been ploughing profits back into the com-pany for reinvestment, while still pay-ing out a high 27 per cent dividend last The company has its sights set on an expansion in the domestic market, which already sees sales of 115,000 trac-

Sales this year are expected to soar for India's 19 biggest tractor companies, each of which is making plans for mod-

ernisation and expansion. This is India's Year for Agriculture; a campaign for promoting farmers' inter-ests initiated by Mr Devi Lai, who was dismissed in July as deputy prime min-ister by Mr V.P. Singh, India's prime minister, after a power struggle within the ruling Janata Dat party.

By the time Mr Lal left the government, he had set in motion a number of

measures to protect the interests of his

powerful farmers' constituency. The prospects of a boom in the tractor industry lie, in fact, in the spin-offs of a visit to China by Mr Lal earlier in the

Mr Lal was so impressed by the level of mechanisation in Chinese agriculture that he promptly announced a scheme to offer subsidies of Rs30,000 (£390) for to ther subsides of resal,000 (2380) mr each tractor — roughly one third of the purchase price — bought by what are called "small and marginal" farmers with land holdings below eight acres.

Such farmers make up 78 per cent of the country's total. If Mr Lal's scheme that gone shead the days of believer.

had gone ahead, the days of bullock-driven ploughs, the traditional and inef-ficient method of cultivation, would have been over in a few years. However, financial constraints and limitations on making the required small tractors intervened, and the subsidy scheme has now been relegated to the background, being limited to a neg-ligible 5,000 tractors in the next five

But the scheme did underscore the need for rapid mechanisation in agriculture if productivity is to increase to match India's rapidly growing popula-

As Mr Bhargava says: "It must be a whole package. Farmers need irriga-tion, seeds, fertilisers - and mechanisation - if they are to increase produc-

Mechanisation of India's agriculture remains limited. The gross cropped area of the country is now estimated at around 200 hectares per tractor, compared with 40 hectares per vehicle in the US and a world average of 63 hect-

But despite hindrances to Mr Lal's original scheme, Elcher and other tractor companies still foresee a boom in the industry.

Their confidence arises mainly because the aritoric for confidence for confidence for a confidence fo

because the criteria for qualifying for bank finance for farmers is being changed. Those in the industry believe this could increase farmers' purchasing potential several times.

At present farmers must own more

than eight acres to qualify for bank loans for tractors, which cover 85 per cent of the cost at low interest rates and offer a comfortable repayment

period of 10 years. Tractor companies have succeeded in persuading the government that the ceiling for land holding should be lowered to four acres, enabling millions more farmers to qualify for the loans. A four-acre farm might seem rather small to justify full-time use of tractors for agricultural purposes, but the qualifying limit is being changed because of an unusual situation in India.

The machines are used for a warlety

The machines are used for a variety of purposes - transport of goods and passengers, powering tubewells and so on, and are hired out to other farmers, which collectively make them economi-cally viable even for small farmers. Industry optimism has also been fuelled by a recent survey showing that farmers have a remarkably good record

in repaying loans. m repaying loans.

Because ownership of tractors will not only increase their productivity and incomes from agriculture but will also bring earnings from other uses of the machines, both government officials and representatives of the tractor industry are confident that their plans for a reprid expansion of presentative.

for a rapid expansion of manufacturing are soundly based. The tractor industry is thus on the verge of rapid growth, hopefully with spill-over effects on agricultural produc-

Although Mahindra and Mahindra of Bombay (with an 18 per cent market share) and Eicher are the largest tractor companies and will be among the first to modernise and expand, other companies are expecting to cash in on the increased demand for tractors.

by the wayside - the industry and offi-cials agree that what works in China will not necessarily work in India Meanwhile, the boom will continue for multi-purpose medium-sized and large tractors for which the Indian

In the process, Mr Lal's scheme to promote small tractors is likely to fall farmer has shown a marked preference

-12

# **British Gas** advises its contract gas customers of revisions to price Schedules

With effect from 1st October 1990 British Gas is revising its F13, MT1 and ST1 Schedules to incorporate changes to the pricing system for firm gas. Terms and conditions for interruptible gas remain unchanged. The updated Schedules will bear the reference FI4, MT2 and ST2. Copies of these Schedules are available from the Registered and Regional Head Offices of British Gas plc.

#### CONTRACT GAS PRICING SCHEDULES FIRM AND SYTERRUPTIBLE GAS

Effective from Mean Pleading date at the outdomen's premises on or necessar to first October 1980. This Schedule FM superceries but is smiler in formal and feature to FIS effective from 1st Morch 1990 except that the that 25,000 themes

This Schedule FI4 supercedes but its arrifar in formal and terms to FI3 effective from 1st March 1990 except that the first 25,000 therms of family as correspond at each premises in each contract year will be subject to an initial Block Pitou. The Addinduct published on 3rd August, 1990 bited "Monthly Charges" is also now Incided.

Pursuant to Condition 5 of its Authorisation, British Gas will enter into Special Agreements (contracts) with customers under this Schedule FI4 for the supply of gas though pues to premises which they own or occupy, each premises consuming in excess of 25,000 therms per arrorm in the case of firm supplies of gas, on the paces and terms shown do not apply to supplies contracted under Schedules CSP1, CSP2, FI2, FI3, MfT1, Mf2, ST1, ST2 and LT11, buck-up gas or to other forces of supply interesting in Countries of all British Card Authoritation. and in Condition 5 of British Gar' Authorisate

nomination of the free contracts of the contract of the contracts of the prices of the prices of the contracts of the contrac compasing a Monthly Charge and a price per therm, for a standard contract. Notwithstanding this, the Initial Block Price will delign-mine the price of gas for the first 25,000 thems of firm gas consumed all each premises in each contract year. Contracts will contain deuses giving effect to maximum consumption levels and allowing the charges for gas actually consumption. Recordisation will acrossly take place at the analysism deuse for the contraction, See Host 2. The Scheduled Reference Prices, the Initial Block Price and other terms shown in this Schedule Price modified at the disciplion of British Gas. Publication of sessed prices and other terms may not take glace within 28 days of the previously published schedule without the consent of the Drector Ceneral Office of Gas Supply (Oligas). The legist Block Price for firm contracts and the Scheduled Reference Prices for firm and interruptible contracts are shown under "It Firm Gas" and "2: Interruptible Gas" below respectively. Customers may choose alternatives to the standard contact terms by adequiting and then pick variations in estpect of firm gas contracts are shown at 1 (f) (b), and in respect of interruptible gas contracts are shown at 2 (f) in this Schedule.

Copies of Schedules and conditions of contract are available from the Registered and Regional Head Offices of British Cas.

1: Firm Gee
(i) Initial Block Price:
The pace of gas for the lest 25,000 thems consumed at each premises in each contract year shall be 40.96 prilines. This price

The pace of gas for the lest 25,000 thems consumed at each premises in each contract year shall be 40.96 priliness. This price will be revised from time to time and will be applied in accordance with the contract leave.

(ii) Scheduled Reference Prices

The price to: pas consumed in increas of 25,000 thems at each premises in mich contract year will comprise a Mostily Charge (1) and a price per them (primern).

(a) Standard Turmer: the Schedulid Reterince Proces for the nomicaled annual consumption levels under standard film gas contracts are great in Table 1. These prices will move as line with the Schedule as published from fine to line and will be

Table 1:			Fire	n Gis -	- Sched	bited Plates	ence Price	– Şimdər	d iones			
Volume Band	1	2	3	4	5	6	7	. 8	9	10	11	12
Nonsteld Consultation framestation	25.001 b 30.000	50,001 Is 100,000	100,001 ds 150,000	150,000 250,000	20000 20000	300001 is 1,800009	1,000,000 2000,000	ZOGECON In LOGECON	5.000,000 in 10.000,000	TOMOGRAN In Character	25,000,000 10 10,000,000	Com-
	57	67	296	421	629	1,965	2,504	4,587	13,962	22.295	37,926	48,337
	Price per Derm (p)											
Single Premiess Makiple Premiess	#25 -	36.00 36.50	25. 25.	RE CR	7125 213	第25 第25	28.59 29.00	275 275	25-00 25-00	2400 2450	2325 2575	23.50 23.50

(b) Obstant Terrie: the output, are table and the price vertations to the Scheduted Reterror Price - Standard Terrie an oliver

(8) Extend contract to 2 years (III) Price indexed for 1 year or 2 years. Indices 50% PPt 50% Gas Oil (See Note 4)

: 1 year contract + 3% 2 year contract + 7% : No extra charge

Seasonal Pricing Factors: the presting Scheduled Reterring Prices in Table 1 as modified by any option chases by the customer will be adjusted in the months shown by the application of the seasonal pricing lactors contained in Table 2.

Factor	
	_
1.0	
0.05	
0.65	_
	0.05

2: Interruptible Gas () Standard Tenns of an Interruptible Gas Contract:

9) outstanding instruction and interrope and solution of the control of the co There are three lowes of standard interruptible contract from which the customer may choose. These are differentiated by their potential periods of interruption within a contract year. The periods of interruption, which will occur at British Gas' discretion and may or may not

(1) Short Period: interruption for a minimum period of 7 days and up to a maximum of 35 days

(2) Medium Period: Interruption for a minimum period of 7 days and up to a maximum of 63 days.
(3) Long Period: Interruption for a minimum period of 7 days and up to a maximum of 90 days.
The minimum periods of interruption under each torn of interruption contract under this Schedule shall be suspe

vium note to.

For each type of interceptate contract, the twelve incentify charges and the prices per them will move in line with the Schedule as published from lime to time. If necessary, at the continencement of each contract month, the contract prices will be adjusted to the appropriate monthly charges and prices per them given in the published Schedule operating at that date.

The Scheduled Reference Price for the nominated annual consumption lavel under the respective standard interruptible contract is

Short Period Interruptible - Scheduled Relargica Price

Volume Band	. 1	2	3	4	. 5	6	7				
Numerod Commission fames/group	200,001 ib 500,000	500,001 lp 1,000,000	1,000,001 IS 2,000,000	2,000,001 5,000,000	5,000,001 b) 10,000,000	10,000,001 ls 25,000,000	25.000,001 10 50.000,000	Seater 50,000,000			
Martin (Cappe (C)	125	911	2224	3744	11,244	18244	30,827	34,994			
Number of Premiers		Price per Bermi (pl									
1	26.60	2729	2560	2470	ZZ90	22.30	21.60	21.58			
2	29.20	27.50	25.20	25.30	23.59	22.90	22.20	22.10			
3 }	-	25.40	26.80	25.90	24.10	21.50	22.80	22,70			
45	-	25/00	27.40	26.50	2470	34.10	23.40	23,30			
6-10	-	- 1	26.00	2719	25.30	24.70	24.00	23.00			
11-29	-	-	-	27.70	25.90	25.30	34,60	24.56			
21-50	~	- 1	-	28.20	26.50	25.00	25.20	25.10			
51-100	-	-	-	~	-	25.50	25,60	25.79			
101-500	-	-	-	-	-	27.10	26.40	25.30			
501-1000	-	-	-	-	-	-	-	26.90			
1001-2009	_	~	-	-	-	_	_	27.50			

bbie 4:		Medium P	aried Interrup	bit - School	aled Returence	Price		
Yohmo Band	1	2	3	4	5	6	7	
(dominated Consumption Record/arms/m	200,001 to 500,000	100,007 tg 1,000,000	1,000,001 80 2,000,000	2,000,001 io 5,000,000	5,000,001 10,000,000	10,000,001 io 25,000,000	25,000,001 50,000,000	Greater Steen \$0.000,000
Monthly Charge (II)	427	1,177	2,260	3,427	12177	17,177	46,344	45,344
Number of Provides				Price par	inero (p)			
1	25:00	24.60	23.50	22,00	20.70	20.10	10.70	18.70
z ]	27.36	225	34,25	2356	21.45	20.65	19.45	19,45
3	-	26.30	5.P	24.20	22.20	21.00	20.20	20.20
45	-	27.05	25/5	25.05	22.95	2235	20.95	2095
6-10	-	-	2650	25.80	23.70	23.10	21,70	21.79
11-20	-	-	-	75.55	24.45	21.85	2245	2245
21-50	-	-	-	27.30	2520	24.60 '	23.20	23.20
51-100	-	-	-	-	-	西海	21.95	22.95
101-500	-	[ -		-	- 1	25.10	S/L/ID	21.70
501-1900	-	-	-	-		- 1	-	25.6
1001-2000	-	- 1		-	-	- 1	l - i	2020

State St	Lang Period Interruptible - Schedulad Reterrace Price										
Without Band	1	ş	3	4	5	6	7	8			
Reprinted Consumption Removament	200,9021 500,000	500,001 la 1,000,000	1,000,000 io 2,000,000	2,000,001 5,000,000	5,000,001 30 10,000,000	10,000,001 10 25,000,000	25.6300.001 50.000.000	50072000			
Monthly (Fraggs (f.)	750	1,593	3,176	4,509	7,000	7,342	9,925	9,925			
Number of Promises				Police per	Dem (p)						
1	21.58	19.50	17.50	18.80	1620	15.10	16.00	1600			
ž	22.50	20.50	18.50	1780	1720	1710	17.00	1700			
3	-	21.50	19.60	18.50	18,20	18.10	18.00	18.00			
45	-	22.50	20.60	19.5%	19.20	19 10	19.00	1900			
6-10		-	21,60	20.60	20,20	20 10	2000	20.00			
21-20	_	-	l	21.00	21,20	21 10	21.90	21.00			
21-50	-	-	-	2230	22,70	22.10	2200	22.00			
51-100	_	-	l	-	-	2110	23.00	23.00			
101-500	-	- 1	- 1	- 1	- 1	24.10	2400	24.(3)			
581-1980	-	-	-	-	-	-	-	25.00			
1001-2000	-	-	-	-	-	-	-	26,00			

in Optional R	must all Conformer	Choice for an i	Interruptible C	Defract:
				nce Poice are given below

CPTONS	S40(L142)00	MEDIUM PERCO	LONG PERIOD	
Scienti Compoti in 2 years circultur	No extra charge	No maka piranga	No east charge	
Pitra Beet for 1 years	+3%	-4%	-5-	
- 2 years	+7%	-15%	-154	
Injer-Lokes Contact	No mits chalps	No entry closure	Roeds Jarge	
Indicas (See Hoto-9)	50% PPL \$2% Sax (III	SOM Gas Ott SOM HFO	1309: HFO	

3: Uniterally Agreement is qualitable, and is applicable to bern or more contracts of any type contracted entire the terms of this Schedule PA, RUmbelly Agreement is qualitable, and is applicable to bern or more contracts under Schedules PA, R3, MT1, MT2, ST1 and ST2. This PA Schedule CSP1 as may be varied by Schedule CSP2, together with contracts under Schedules PA, R3, MT1, MT2, ST1 and ST2. This United Agreement and determine the percentage reductions to be applied for gas consumed and the previous of gas for all the previous order the United Agreement. Payments and the consumptions of gas for previous which do not resort the farm contract gas threshold of 20,001 thems per amount of the internal contract gas threshold of 20,001 thems per amount at the roomet contract gas threshold and most per included in the calculation. A single calculation and payment will be made after each anxieties and the United and Income.

have reduction for each handwall gas consumed within each healer reports period of the Unitedia. Agreement is shown in Tigale 6.

al previous covered by an University Agreement.												
Load Band	1	2	3	4	5	6_	7		9	10	11	12
Themapa	tess from Storage	50,000 In 100,000	199201	150,000 10 250,000	250,000 in 540,000	500,001 ip 1,000,000	1,001:01 is 2,003:00	2600001 10 5000000	5,000,001 to 10,000,000	SPECIALISMS PO TOTALISMS	25.000.001 b 50,000.000	Greet 100 100 100 100 100 100 100 100 100 10
Percentage Sectories	8	01	015	02	0.3	04	0.5	3.0	0.7	08	0.9	1.0

**General Holes** 

1. Conditions of Contract The roles given in this Schedule summarise elements of the conditions of contract and the way in which they will be applied. They are not exhaustive and connot take procedence over, or modify, any of the terms and confilients of the contract entered into by any individual

2. Responsibilities
Chapter for gas will be based on the actual annual consumption, in the event that the actual consumption would have placed the consumption, including taking account of any varieties in the number of germians, then a reconditation exacts will be undertaken to adjust retrospectively charges for gits consumed in any contract year. Reconditation will be made at the anothersary date of the contract or the termination of the contract, whichever is earlier to the event of reconditation the actual annual consumption will generally be taken as the reconsistent consumption for an origining or revewal contract. Whichever is earlier to the contract the supply has been interrupted at the disposon of boths Gas then an allowance will be calculated for the days interrupted in ascertaining the annual consumption for the purpose of reconditation.

del A contract will be applicable for a firm supply of gas to be consumed at more than are pres

its Substitiony and/or Afficiest companies provided each provides consumes more than 25,000 therms per amount, (ii) A contract will be available for an interruptible supply of gas to be consutred at more than one premises owned or occupied by the container or its Subsidiary and/or Afficials/ companies provided each premises consumes more than 200,000 therms per arount save contains or its southery among request process process contained one get account representation of the process of the containing on the process of the containing of the conta

A. Index-Linked Contracts

The Patermore for Antices will be:
PPP FMA Contral Statistical Office Object, Gas OW-Homy Fuel Oik Platt's Objectm.
Philips Gas will, on a monthly basis for interruptible contacts and fines monthly for firm contacts, andly contacts with index-intend contacts of the statistics in the salter of three indices. Bije contracts entered into under this Schedule PA4 containing wholly oil denor bottom step prices. The top step will be 5 per cent, above the single premises price in volume band 1, and the bottom step will be 5 per cent, below the single premises price to volume band 8 as allown in tables 4 and 5, medium point and long period interruptible gas

Contracts will be noticed into for follow supplies of gas provided gas computation commerces within the period of the contract. The supply period starts on the date that the contract is signed and the price ruling at the firm gas is consumed will be calculated in

The pages in this Schmöule are exclusive of Value Address Tox, or any other tax, duly or impost.

Customers may not enter into a contract for the supply of yes, whether item or into of gas always contracted with British Gas whether under this Schedule or any other Schedule unless agreed by both parties to the

A consequent in management of the first of t

The pressures at which Bullet Gies supplies gies very at different parts of the gies supply spatiem. Orition Gies will supply good to a customer at a pressure above the statutory minimum loved if this is involvible at the point of supply, Bulleth Gies will use massurable wroteportum by maintain any such elegated processes. If Sudah Gies expects the supply pressure to reduce to a lower loved permanentry they next has been Webout prijekte to the nyhig of Ballah (das to internet supplies of gas provided in accordance with "2 bitemplike Cas" the requirement for a minimum period of interruption shall be downed to have been suspended unless and ordflat jeast time months have expliced from the giving by Ballah Cast of mylige under the contrict with the customer of its interplan to infolment such existence plants:

Where a customer so respect of any month in which the customer does not consume gas at any prontees, the sporting charge or in the case of modifie-granises Agreements. He appropriate proportion stees of modifie-granises Agreements. He appropriate proportion stees of, will be defensed until mountainten which will take place at the end of each of the customer's context, years or at earlier termination of the Agreement.

12. Connection Conts — New Supplies Mich Gas will make an allowance buyons the capital cost of commission of the gas supply to the customer's prévises in order to delive eded Consumption of year. Such cost will include pipes, reperatus and mensing equipment but exclude cuted supplies be the printery mater. The customer may also be asked to make a contribution to the cost as required under the contract. The allowance will be all the infloring cales providing such allowance will be all the infloring cales providing such allowance who are contributed for capital cast of connection and does not result in the supply being unaccompanies. Such as the supply being unaccompanies and contributions \$120 per incurrence of Homistated Consumption.

Interruptible Gas Connections: 690 per Rossami traure di Hyminsteri Consenyation.

CONTRACT GAS FRICING SCHEDULES MEDIUM TERM FIRM AND INTERFLIPTIBLE GAS Efactive trans Meter Reading date at the customer's premises on or nearest to 1st October 1990

This Schedule NT2 supersedes but is profer in lighted and terms to Schedule NT1 allocated from 1st April 1990 except that the first 25,000 thems of fam get consumed are each premises in each contract year will be subject to an initial Block Price. The Addendual published on 3rd August, 1990 bleed "Monthly Charges" is also now included.

Pursuant to Contideou 5 of its Authorisation, British Gas will enter into Special Agreements (contracts) with customers under this Schedule MT2 for the supply of gas through pages to priemises which they own or occupy, each premises consuming in excess of 25,000 therms per armorn in the case of firm supplies of gas or 200,000 themis per armorn in the case of interruptible supplies of gas, on the process and learns shown in this Schedule subject to the conditions of contract. The process and learns shown do not apply to supplies contract under Schedules CSP1, CSP2, R2, R3, R4, MT1, ST1, ST2 and LT1, back-up gas or to other torms of supply identified in

Ex; will be supplied on the basis that the supply is laten for not less than 3 and not more than 10 Contract Years, Customers mass commence taking gas under this Schedule on a day within two years of entering into the contract. This day is determined under that

contract as the Start Date from which date the Contract Years will not.

The press shown in the Schedule MT2 shall apply to gas supplied under Medium Term contracts entered into on or after 4st October 1990.

The press shown in the Schedule MT2 shall apply to gas supplied under Medium Term contracts entered into on or after 4st October 1990.

The press shown in the Schedule MT2 shall apply to gas supplied under Medium Term contracts for the initial Block Peter for the contracts for the present the Contract Cont and the Backs Scheduled Retenence Proces for firm and mismodible contracts are shown at "1. Firm Gas" and "2. Interruptible Gas" below respectively. Such prices, except the living Block Price, will vary in accordance with the number of premises landwed and the special; type of indexessor terms chosen by the customer

Type of intervation terms crusted by the custometric for each Contract Year his annual consumption for his selected type of supply which will determine the Basic Scheduled Reterence Price, comprising a Monthly Charge and a price per therm. Notwell-standing this, the initial Sock Price will determine the price of pas for the limit 25,000 therms of term pas consumed at each premises in each contract year. Contracts will contain clauses giving effect to minimum payments and maximum consumption levels and allowing the charges for gas actually consumed to be reconcided against the Nominated Consumption. Responsibilition will normally base above at the end of each Contract Year (See Note 3). For contracts in excess of 5 Contract Year options will be restorated at the end of the little Contract Year.

fifth Contract Year The customer will then select from the following price options for the remaining period of the contract.

(a) The Easts Scheduled Reference Price will be re-established in accordance with the terms of Schedule MAT2 or such Schedule as many prevail at that time in succession to MAT2. The outcomer will then select a specific type of indecation term from those decisions.

(b) The paloe of gas will be determined by the then prevailing Schedule or British Gas regime of prices and learns of supply app to the customer's type of supply

If the customer does not gestale such change the contract will be lengthsted tonhunth

The constant or consect states to the consect was the paper within 28 days of the previously published MTZ Schedule without the consert of the Previously published MTZ Schedule without the consert of the Previously Caresa Office of Gas Supply (Offices).

Copies of the Schedule and conditions of contract are available from the Registered and Regional Head Offices of British Gas.

1: Firm Ges

The price of gas for the first 25,000 fixerns consumed at each promotes in each contract year shall be 40,96 phillippin. This point will be revised from line to time and will be applied in accordance with the contract forms.

The price for gas consumed in excess of 25,000 therms at each premises in each contract year will comprise a Monthly Charge (2) and Terrors the Basic Scheduled Reference Prices for the matricated annual consumption levels under Mic

lactio 1:				Fatt	Gas -	Ease Sch	estated Rea	rance Price	*			
Volume Beerli	1	2	3	4	5	5	7	8	9	10	11	12
Nominged Systematical States January	35.000 50.000	58,001 80 100 000	162 GOT 10 150 GOD	150.001 200.001	250,001 iq 500,000	SECONO IQ Uninger	1,000 001 10 2,000,000	2000,001 is 5000,000	5,000,001 fo 18,000,000	10,800,000 25,000,006	25.000.001 lo 50.000.000	(France)
Mostly Clarge (E)	56	*	795	470	613	1,020	2,41	44/2	1264	21,738	31977	47,129
	$\Box$						Proce per th	emp (p)				
Segle Premets Multiple Premets	25.20	25 16 25 60	X 15	3140	20.50 31 GE	73.55 78.65	1/60	75-00 27 HI	34.60	2140 2150	2276 2130	77.40 27.60

out on Table 2 and incorporated in the contract.
Hedum Term Farm Gas

Indexation Type	A	6
Indo-alon %	50 Gar Cu 50 FF2	25 Gas DI 25 Heavy Full DI 25 Coal 25 Bearshy

(t) Seasonal Pricing Factors: the privating Basic Scheduled Reference Prices in Table 1 as indexed by the outstoner's of indexelon will be edjected in the months shown by the application of the seasonal pricing factors complified in Table 1.

Table 3:	Sessonal Pricing Factors	
	Month	Facility
December, January, February and Worth		1.0
April No. Octob and November		0.95
late. Mr. August and September		9.85

The standard terms of a Medium Term eterruptable gas contract apply to gas supplies under a contract of not less than 3 and not page than 15 Contract Years duration to single or multiple premiers of the customer, each premiers consuming in excess of 200,000 flavor

Basic Scheduled Reference Proce will comprise a Monthly Charge (R) and a price per literal (officers). The periods of interruption will occur at Session Cast discretion and may not be continuous interruption will be place for a minimum period of 7 days and up to a maximum of 90 days in each Contract Year has periods a although the minimum period of inter-

The Basic Schedulet Relations Prices for the normalist annual consumption level under the Medium Time Injurged the contest and

Internetible Gas - Basic Scheduled Relevence Price

Volume Band	1	2	J	. 4	.5	- 0 m		8			
Hamman Constraint Hamilton	200,000 in 200,000	500,001 0 1,000,000	1,000,001 to 2,000,000	2,000,001 5,000,000	5,000,001 10 10,000,000	10,000,000 to 25,000,000	25,000,001 50,000,000	Greater free Supplement			
Northy Classe (D)	741	1,553	3,097	4.396	6,063	6.896 -	- 7,938	7,936			
Number of Premosts				Price per	therm (p)	(c)					
1	2190	3000	18.10	12A0	17,00	FE.98 .	1846	1685			
2	-	21.09	1910	18.40	16.00	17.90	17.55	17.85			
3	-	22:00	20.10	19.40	19.00	18.90	18.85	19.85			
45	-	-	21 18	20.49	30,00	19.90	19.85	19.55			
6-10	-	- 1	22.10	21.40	21.00	20.90	20.85	20.85			
11-20	-	- 1	-	2240	22.00	21.90	21.85	21.85			
21-50	- 1	- 1	-		23.00	22.90	32.85	22.55			
51·100	- 1	- 1	- 1	-	- 1	2390	23.85	23,85			
101-500	- [	- 1	-	-	- !	-	24.85	24.65			
501-1000	- )	- 1	- 1	-	- ]	- 1	-	25.65			
1901-2000	- 1		-	-	-		-	26,65			

The price of gas shall be determined, from the Start Date and over the life of the contract save for any raview, by the application of an indescript formula to the Basic Scheduled Peterence Price of gas according to the specific type of indexation terms chosen by the customer. These choices are set out in Table 5 and vicosporated in the content.

Indesolium Type	Α	9
Ingention &	190 Heavy Riel Oll	25 Gas (N 25 Hoavy Fund (N 25 Cool 25 Beranoly

ent is available, and is applicable to two or more contracts of any lype contracted under the terms of this Schedule table CSP1 as may be varied by Schedule CSP2, together with coinsides under Schedules FR2, FR3, FA4, MT1, ST1, and ST2. This Unitirely Agreement will determine the percentage reductions to be applied for gas consumed at all of the pre ndeed, Agreement was december one periodicage reductions, in he approximity as consument as an or his premises and taking into account the arrival payments made to gas consumed and the arrival consumptions of gas for at the premises the Umbrets, Agreement, Payments and the consumptions of gas for premises which do not reach the firm contract gas ungs has compared agreement. Pagnetics and the interruption of the should de 200,001 thems per annum at the normal contract pas threshold of 200,001 thems per annum at the normal contract accordance will not be included in the exclusion. A single calculation and payment will be made after each anniversity data of the Umbreits Agresment or on its termination. The percentage reduction for each transfer of pas consumed within each heater month period of the Umbreits Agresment is shown in

Percentage reductions to be applied by incremental transfer of gas to the annual payments made for gas consumen

_		at promote covered by an United Agreement.											
1	Load Bard	1	2	3	4	5	6	7	В	9	10	11	12
	Thateles p.a.	iana inga SQ,002	90.007 la 100.000	b	10	250.001 19 900.000		1,000m # 2,000,000	lo lo	2	-	25,000,000 in 50,000,000	Seater Mari Socialis
	Percentage Reduction	0	<b>6</b> 1	815	02	03	0.4	0.5	0.6	0.7	0.6	0.9	1.0

**General Notes** 1. Conditions of Contract

numbrise or Continue; Despises in this Schedule summarise elements of the conditions of content and the way in which they will be applied. They are not Are and carron take precedence over, or modify, any of the terms and conditions of the contract entered into by any individual

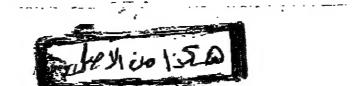
 Nondested Consultation and Immension represent to the San Date and at the end of each Contact has the customer may revee his Nominated Consumption for the next Contact has within a range of plus or minus 30 per cent, of the Nominated Consumption his originally specified for that Contract hear subject to within a range of plus or minus 30 per cent. or the nonwared consumption has originary spacement for minus account or ever surject to availability and capacity to supply. The customer shall take, or make a minumum payment for, gas equivalent to 70 per cent, of either his extrest Norminated Consumption above or his cognical Norminated Consumption if no revision has taken place. In determining the Norminated Consumption the resulting minumum consumption level shall always be at or above 25,001 therms for firm supplies or 200,001 therms for interruptible supplies per gramises. If the supply has been interrupted at the direction of British Gas, then an addresses will be given for the days intempted in ascertaining the princes consumption for the purpose of minimum payment calculation.

Charges for gas will be based on the actual armual consumption. In the event that the actual consumption would have placed the Cranges for gas we are cased on the lecture termine consumption, in the event that the actual consumption would have placed the customer in a different volume band from that of his Nominated Consumption, including belong account of any varietion in the number of primities, then a reconciliation exercise will be undertaken to adjust retrospectively changes for gas consumed in any Contract Year. Reconciliation will be made at the and of each Contract Year or the eacher termination of the contract and will take account of the

the contract the supply has been mismaphed at the direction of Buffest Cap then an allowance will be calculated for the days interrupted in ascertaining the armust consumption for the purpose of recording

and a contract will be available for a firm supply of gas to be contained at more than one prentises owned or occupied by the customer or (a) A contract will be available for an impany of general and consumes a man one phan 25,000 therms per amount its Subsidiary and/or Allifated companies previden each premises consumes more than 25,000 therms per amount, (b) A contract will be available for an interruptible supply of gas to be consumed at more than one premises connect or occupied by the of Kountries were grammed by its Author Authority Companies provided each premises consumes more than 200,000 frams par autom save Ousdoned of its Sunsidiary andro Addiency Contract with the available in respect of related supplies historically beated as appropriate
that on an internit basis a multiple premises contract will be available in respect of related supplies historically beated as appropriate that on an internet basis a multiple premises contract wet be averaged in respect of released supplies historically breated as appropriate years a pre-existing group an angement and appropriating more than 200,000 thems per arrown.

(c) For the purposes of notes 3(a) and (b) above and Umbretla Agreements, Subsidiary companies are as defined under section 736 of the Companies and Astigute, part Attitudes of the companies are as defined in the contract by reference to the common control of the customer and Astigute, placing the definitions of control set out in Section 302(2) (b) and (c) of the Income and Corporation Taxes Act 1970.



General Notes for Medium Term Firm and Interruptible Gas continued.

Under the contracts in accordance with this Schedule the mechanism for determining the pince of gas, in accordance with the specific indication learns selected by the customer, shall be set out in a price indication formula utilising indicas which give effect to the indication forms. Basic Scheduled Reference Poses are the pools, at 1st April 1990 which are indicate to the ser month period July to

is. Constituted Indices will be
The References for Indices will be
PPC: Hith Central Statistical Ordice Digest, Gas 08/Heavy Pust 08/Cast/Electricity Everyr Trends — Prices to Large Constitutes
PPC: Hith Central Statistical Ordice Digest, Gas 08/Heavy Pust 08/Cast/Electricity Everyr Trends — Prices to Large Constitutes
British Gas will, on a titue monthly basis, moby customers with index-fished contracts of the sprishors in the value of these endoes.
Interruptible contracts entered into under this Schedule MT2 with wholly of denominated indices will contain profesions for log and
bottom stop prices. The top stop will be determined as 110 per cent. of the customer's equivalent price in Schedule H4 or its pregaling
successor Schedule at the time of each calculation.

The hostomy after will be 6 determined as of the small before the small processor Schedule 4 of this Schedule or such Schedule as

subcreasor Surregue at me time or each calculation.
The bottom stop will be 5 per cent, below the single premises proce in volume band 8 Table 4 of this Schedule or such Schedule as may succeed this Schedule at the time the contract is signed.
For contracts in excess of 5 Contract Years duration, the top and bottom stops will be re-established at the end of the Mith year in accordance with the terms of Schedule Mit 2 or such Schedule as may prevail at their time in succession to Mit?

A customer must commence taking gas for making his minimum payment under this Schedule on a day within the first 2 years of the Supply Period. The Supply Period starts on the date that the contract is signed and the first day of the month rearest to this first day of consumption becomes the Start Date of the contract and of the Contract Year. The prior ruling at the Start Date will be calculated in accordance with the method of prior determination cheen by the customer when entering into the contract.

The poces in this Schedule are exclusive of Value Added Tax, or any other tax, duly or impost.

A customer may not enter into a contract for the supply of gas, whether firm or interruptible, under this Schedule in subcolution of a supply of gas already contracted with British Gas whether under this Schedule or any other Schedule unless agreed by both parties to the contract.

TO, Commander a Production States.

Belone entering into a contract with a potential customer, British Gas may require the customer to endorce that he ligs the linguistic Capability to meet his prospective contractual obligations and that he discharges promptly his payment obligations, lating which or a suitable guarantee of his obligations, British Gas may refuse a supply of gas under this Schedule. A suitable guarantee may include a security disposal and/or direct debding arrangement.

The pressures all which British Gas supplies gas vary at different parts of the gas supply system. British Gas will supply gas to a customer if a pressure above the stalkitory minimum level if this is available at the point of supply. British Gas will use reasonable endeavours to maintain any such atevaid pressure if British Gas expects the supply pressure to reduce to a lower lived parmanently then not less than 24 months written notice will be given.

Wathout projudice to the rights of British Gas to interrupt supplies of gas provided in accordance with "2 Interruptible Gas" the requirement for a number people of interruption shall be deemed to have been suspended unless and until at least three months have supplied from the going by British Gas of notice under the contract with the customer of its migration to implement such sustaining people.

13. Consection Coets — New Supplies
Paids Gas will make an allowance located the capital cost of connection of the gas supply to the customer's premises in order to deliver like Nominated Consumption of gas. Such cost will include pipes, apparatus and metering equipment but exclude custed supplies beyond the primary meter. The customer may also be asked to make a contribution to the cost as equipment order the contract. The allowance will be at the following tales providing such allowance does not esceed the copilal cost of connection and does not result at the supply being unecontonic in accordance with Section 9 of the Cas Act 1986.

See Connections: £120 oer flowance thems of Normalited Consumption.

rem tale Commiss. I can per moname muserul ar recomment correspond. Internatible Gas Connection: 900 per foundated thems of Normanded Consumption. The average Normanded Consumption per Contract Viser at the date of the Agreement shall be used to calculate the level of Allowance.

Vitiere & customer so requests, in respect of any month in winch the customer does not consume gas at any parmites, the monthly charge or in the case of multiple-premises Agreements, the appropriate proportion shared, will be deterred until recondition which will take place at the end of each of the customer's contract years or at earlier termination of the Agreement.

#### CONTRACT GAS PRICING SCHEDULES SHORT TERM FIRM GAS

Effective from: Maker Resulten date at the customer's premises on or research to 1st October 1990.

Therms of gas consumed at each premises in the Supply Period will be subject to an initial Block Price.

Pursuant to Condition 5 of its Authorisation, British Sas will enter into Special Agreements (contracts) with customers under this Schedule

ST2 for the supply of gas insough pipes to premises which they own or occupy, each premises consuming in excess of 25,000 therms.

ST2 for the supply of gas through pipes to premises which they own or occupy, each premises consuming in excess of 25,000 thems per amuen, on the prices and terms shown in this Schedules subject to the conditions of contact. The poses, and terms shown do not supply to supplies contracted under Schedules CSP1, CSP2, RQ, R3, R4, M11, M12, ST1 and L11, back-up gas or to other forms of supply identified in Condition 5 of British Gast Authorisation.

Gas will be supplied on the basis of contracts with a duration of 3, 6 or 9 Months. The prices shown in this Sthet Term Schedule ST2 shall apply to gat supplied and the contracts with a duration of 3, 6 or 9 Months. The prices shown in this Schedule ST2 shall apply to gat supplied tender contracts with a duration of a few for firm gas, and this Schedule ST2, Under the contracts the Scheduled Reference Price, company a Monthly Chappe and a price per thems, will be determined for each Month on the basis of the customer's Moving Armad Consumption, defined as that Month's consumption plus the previous 11 months' consumption of gas at the previous for the 1 supply. Note-thistanding this, the Instal Block Price will determine that price of gas for the size 25,000 thems of gas consumed at each premises in the Samply Period. Contracts will contain classes giving effect to premisure consumption levels. In the event of the consumption, the gas actually consumed during Armad Consumption (see gas actually consumed during the contract will be charged for at the Tarill Price of Gas.

the contract we be charged for at the lartiff Picto of Gills.

The Scheduled Retrembe Proces, the Initial Block Picts and other terms shown in this Schedule ST2 will be modified at the discretion of Ballish Gas. Publication of revised prices and other terms may not take place within 28 days of the previously published ST2 Schedule without the contents of the Overdor Cameral Olitics of Gas Supply (Oligas).

Copies of Schedules and conditions of content are available from the Registered and Registeral Head Offices of British Gas.

1: Initial Block Price

3.3

more account recording to the second of the property of the price of gain for the Supply Period shall be 40.96 priherm. This price will be revealed from time to time and will be applied to accordance with the context terms.

The price for gas consumed in excess of 25,000 therms at each premises in the Supply Period will comprise a Monthly Charge (C)

and a price per thems (prinams).

(i) Standard Terranz the Schedule Pelerance Prices will be determined for each Month, from the Schedule pressling at the contenencement of that Month, on the basis of the customer's Monny Armsel Consumption. Where the Cumulative Consumption at a premises at the end of any Month is 25,000 therms of gas or less the grow of gas to be charged to the customer shall be the Initial Block Price. The Scheduled Reference Protes for Short Term firm gas contracts are given in Table 1 to which the price adjustment set out in

his 1:				Short I		7 G25 - 5	CHOLDS !	METERICS /	TICE			
Volume Sand	1	2	3	4	\$	-	7	8	8	10	11	12
Mong Amai Corcumbel Puns	72.5811 b 50.000	504001 to 1004000	159,001		254,001 ly 500,000	980,955 to 1,000,000	1000001 10 2,000,000	2,000 (01 is 5,000,000	5,000,001 10 19,000,000	16000 801 10 25.000 800	25480,001 to 50'90'0.002	9 mm 50,000,000
Monthly Charger (C)	147	8	255	421	63	1,846	2504	4507	12962	22295	¥1920	4137
	Proce per Primi (gl)											
Single Promises Medicin Promises	26.25	1400 1512	22	275	na na	25 26	39	27% 27%	25.00 25.00	2400 2400 2400	7375 25.5	23-00 23-50

(i) Price Adjustments for 3. S or 9 Monthly Standy Periods: r representations for α, α or α accuming supply resistant.
The presenting Scheduled Reterence Prices (or them (o) shown in Yelpin 1 will be adjusted by the following amounts(a) plus 130p per them for 3 Month Contracts, or

Seasonal Pricing Factors:
The precing Scheduler Reterence Prices in Table 1 as adjusted by the charges set dot in (ii) above, will be subject to the application of the seasonal origins before contribute to Table 2.

M-2:	Seasonal Pricing Factors	
	Marein	Factor
Decombox, January, Pabelusy and Ma	rch	1.0
April, May, October and November		195
June, July, August and September		0.85

3: Unabredia Agreement
Subject to meeting the qualifying conditions and volume, contracts under this Schedule will be eightic for inclusion at Universita Contracts of the type set out as Schedule F4 and MT2.

**General Notes** 

The notes gleen in this Schedule summeries elements of the conditions of contract and the way in which they will be applied. They are not exhaustive and connot take presedence over, or modify, any of the terms and conditions of the contract entered into by any individual

interruptible Supplies of gas are not available under this Schedule.

3. municipile Prenderma (a) A contract will be available for a firm supply of gas to be consumed at more from one premises connect or occupied by the customer or its Subsidiery and/or Afficiant companies provided each premises consumes, more than 25,000 thems per arrown. (b) For the purposes of note S(a) above and Umbretla Agreements, Subsidiery companies are as defined under section 736 of the Companies Act 1985, and Afficiant companies are as defined in the contract by reference to the common control of the customer and Afficiae, being the definitions of control set out in Section 302(2) (b) and (c) of the accome and Corporation Types Act 1970.

Recardion
 The prices in this Schmitule are exclusive of Value Added Tex, or any other tax, duty or impost.

e, resconzavos Customess reasy not enter into a contract for the supply of ges under this Schedule in substitution of a supply of ges almostly contracted with British Gas whether under this Schedule or any other Schedule unless agreed by both parties to the contract.

os senecement a resumption securios. Securios de la potential customer. British Gas, may requies the customer to avalence that he has me financial Before entening into a contract with a potential customer. British Gas, may requies promptly his payment obligations, haling which or a suitable guarantee of his obligations, British Gas may refuse a supply of gas under the Schedule. A suitable guarantee may include a

2. Pressures at which British Cas supplies gas vary at different parts of the gas supply system. British Gas will supply gas to a customer. The pressures at which British Gas suit use reasonable endeadours to at a pressure above the statutory continuous level if this is available at the point of supply. British Gas will use reasonable endeadours to maintain any suck obtained pressure. If British Gas expects the supply pressure to reduce to a lower level permanently then not less than

British Gas plc., Registered Office: 152 Grossenor Road, London SWIV 3.1. Registered in England under Number 2005000.

## **British Gas**

#### **EUROPEAN NEWS**

## Moscow told 100 metal ventures may fold

By Quentin Peel in Moscow

MORE than 100 large-scale Soviet metal enterprises will not survive without operating

not survive without operating subsidies in a market system, leaders of the Soviet Union's huge metallurgical industry warned yesterday.

More than 50 general directors or chief engineers of the country's biggest iron and steel works called on President Mikhail Gorbachev, the Soviet leader, to preserve the indusleader, to preserve the indus-try's centralised co-ordination and distribution system, or face the virtual collapse of the They said that the latest

plans for a crash transition rom the centrally-planned Soviet system to a market economy, like the 500-day Shatalin plan backed by Mr Gorbachev and Mr Boris Yeltain, the Russian president, fail to make any allowance for the Soviet metallurgical

Their appeal, printed in full in Pravda, the Communist Party newspaper, underlines the potentially traumatic upheaval faced by major sectors of the Soviet economy in transition to a market exercise. transition to a market system.
"As a result of abolishing all

(central) finance distribution mechanisms within the indus-try, it will be difficult to keep going all those enterprises which are economically ineffi-



cient, but absolutely necessary Moscow granted Mr Gorbachev to normal development of met-allurgical enterprises," the directors say. "More than 100 enterprises will need subsidies to support their main activity, and more than 200 enterprises to finance their necessary capital investments."

Leningrad's mayor, Anatoly Sobchak, yesterday urged the Supreme Soviet to go for radical reform gramme of the late 1920s and new powers to impose eco-nomic reform by decree, and agreed that a radical switch to 1930s instituted under Josef Stalin. The industry was based on centralised management, supply, construction and finan-cing, with a high degree of integration between different a market economy was essen-

The industry developed as a single industrial complex for decades, the directors said. The appeal to the president Much of it was created in the came as the Supreme Soviet in crash heavy-industry pro-Much of it was created in the

planned economic reforms."

The directors insisted that they still believed in transition to a market economy as "the only way to develop the national economy," and also supported the transformation of their circumstance. of their state enterprises into joint-stock companies, combining shareholding with state

However they said the state must keep a majority share-holding in all the enterprises. and keep them as coherent units. They should not be broken up to satisfy the demands of the union republics for local control, but rather redistribute their profits between the republics and the union.

Soviet exports of naphtha to north-west Europe's spot markets for refined oil products are down at least 30 per cent on the year, and some supply cuts have also occurred in

Mediterranean region, Reuter reports from Moscow. Presently deliveries are down by at least 30 per cent. I don't know if they can increase their supply for the last quar-ter of the year to catch up, but I doubt it very much," one user

"I have only seen one (Soviet cargo) this month and have enterprises.
"The industry's centralised co-ordination remains an objec-tive necessity, but such co-ordibeen told there is nothing else coming out," another said.

## Washington presses hard for political deal with EC

By John Wyles in Rome

THE Bush Administration is pressing hard for a successful outcome to quiet negotiations currently underway with the EC on a framework agreement designed to strengthen the transatlantic relationship in the post-Cold War era.

Originally a West German initiative, the agreement is seen by both sides as a necessary affirmation that their intention to co-operate still more closely in world affairs will not be diminished by the shrinking of the security threat from the Soviet Union and the European Community's preoccupations with its own development.

Mr Robert Zoellick, the chief adviser to Mr James Baker, the US secretary of state, told an audience of Community offipean Parliament attending a conference at Annapolis in the US at the weekend that a stronger association between the US and the EC should be the basis for "working together on the problems of regional conflict and proliferation". The

close working relationship would become more important
as the Community strengthened its own political co-operation machinery, said Mr Zoellick, and new consultative
arrangements should be used
to address a broad range of
interpritional problems and iniinternational problems and initistives.

commitment to securing the framework agreement was partly aimed at urging some EC member states to overcome their reservations about its timing. The current aim is to sign the agreement on the eve of the Conference on Security and Co-operation in Europe summit in Paris on November

This is very close to the opening of the Uruguay Round trade negotiations in Brussels in early December where US-EC differences over agriculture and other matters could yet put an agreement beyond reach. It is argued that such an embarrassing breakdown could only damage the credibility of the new joint declaration to

work together to solve major international problems. Mr Baker argued for a more

formal underpinning to the US-EC relationship, possibly including even a treaty, in a speech in Berlin last December. For a variety of reasons EC governments do not want to consider a Treaty until after they have completed their inter-governmental conference on political union - including moves towards a single foreign policy — which begins in December.

in the meantime, the framework agreement will stress the common values to which the two sides are committed and will formally codify desper consultation arrangements which were agreed earlier this

These provide for more resular meetings between the US
president and the presidency of
the Commission and the Council of Ministers, between the secretary of state and EC for-sign ministers and between officials at various levels.

### Lukewarm backing for Mediterranean plan By Peter Bruce in Palma, Majorca

A JOINT proposal by Spain and Italy to create a perma-nent Conference on Security and Co-operation in the Mediterranean (CSCM) was given a lukewarm reception at its pub-lic launch in Palma yesterday. The proposals were launched during the opening caremony of the follow-up meeting of the Conference on Security and Co-operation in Europe (CSCE) which will concentrate on environmental issues over the next few weeks.
Mr Francisco Fernandez

Ordonez, Spain's Foreign Min-ister, and Mr Gianni De Mich-elis, his Italian counterpart, cited renewed tension in the Gulf as an example of why a CSCM, modelled on the CSCE which has helped shape East-West relations since 1975, was now urgently needed. But some senior Western del-

egates to the month-long CSCE meeting were critical of the opening of the conference being used to launch the CSCM proposals. "It is an interesting idea, but this is not the place

wants to limit a CSCM to West-ern Mediterranean countries mitially, then slowly extend it eastwards. But the French are understood strongly to oppose drawing in Middle East countries not on the Mediterranean.

Mr De Michells said: "I don't see how we can have a conference on the Mediterranear. ence on the Mediterranean without including the Middle East". Spain and Italy concede that drawing a broad-based conference together would require time and patience, but a conference on rules and principles stood a much better chance of winning support from countries in conflict in the Middle East than a straightforward peace confer-

Egypt, Syria and Jordan had shown a keen interest in join-ing a CSCM and Iran would be canvassed shortly, Mr De Michelis added. Mr Ordonez, opening the conference, said that with the end of the cold war "a new era is dawning for the Mediterranean. The events in the Gulf have given dramatic to talk about it," said one.

It also emerged that France has deep reservations. Paris

evidence of the absence in the region of any system for crisis prevention and management."

#### Walesa's ambitions may leave scars Papandreou re-elected By Christopher Bobinski in Warsaw

mier in coverage during the cam-

THE bid for Poland's presidency by Mr Lech Walesa could leave deep scars within the Solidarity establishment if a meeting at the weekend at state TV headquar-

ters is anything to go by.

Mr Walesa, who last week
declared his intentions to run, in contrast to Mr Tadeusz Mazowiecki, the prime minister who has yet to decide, has started his campaign even though it has yet to be officially opened. Mr Mazowiecki told his sup-

porters at the weekend that he would make his intentions clear once Parliament had passed an election law formally opening

ne campaign.

Rarlier Mr Walesa met with
Solidarity members at the television's headquarters. There, they made no secret of the fact that they thought that Mr Andrzej Drawicz, a Mazowiecki appointee and the present head of radio and TV, would favour the pre-

By Christopher Bobinski

FRANCE'S Crédit National

bank will take an Ecu2m (£139m) nominal stake in a new Polish government devel-opment bank (PDB) which is

being set up by the authorities

in Warsaw. The Polish Development

Bank, which will have an ini-tial capital worth Zlotys 300bn

(£45m) will provide long-term

loans to enterprises in the state sector which are undergo-

ing restructuring before priva-tisation.

The PDB, which will also provide funds for buy-outs of medium and small-scale state

enterprises, is expecting two

Assurances by Mr Drawicz, whose anti-communist credentials have never been in doubt, that coverage would be fair were greeted with jeers and ironic laughter by hundreds who had attended the meeting. Mr Walesa coldly answered "then I see I

won't have any problems in winning and I am convinced that then you shall show respect for the President". There has been so much mis-

trust that Mr Walesa's appearances on TV have been edited, not in Warsaw, but at local Gdansk TV headquarters loyal to the union chief. In addition, many Solidarity

supporters in the broadcast media have criticised the government and Mr Drawicz for being too tolerant and not sacking peo-ple connected with the former communist authorities. In

France to take stake in Polish bank

other Western government development banks to take share capital. It is also hoping for additional funding in the form of a loan from the EC.

Another French bank, the Caisse Central de Credit Coop-

eratif, is providing technologi-

cal and training assistance to Poland's Bank of Social and

Economic Initiatives (BISE). This is a new state-owned bank

which aims to create Jobs for the unemployed which now exceeds 800,000. With an initial

capital of Zlotys 285bn, the BISE will concentrate on

encouraging small-scale busi-

answering questions, Mr Walesa clearly signalled that purges could be expected once he came to DOWEL. Mr Mazowiecki's supporters have argued that wholesale suck-ings could lead to chaos and

isorganisation. Mr Walesa told the TV and Radio staff: "Sometimes evolutionary methods can cost as much as revolutionary ones." It Is a theme which he can be expected to repest around the country and it will go down well with people frustrated by the

lack of economic progress and keen to find scapegoets.

Other populist promises Mr Walesa showed at the meeting he will be pursuing are that unemployment can be avoided, wages should be higher and that factory closures should wait until a new private sector has been developed which can

Fifteen western banks, including Citibank and Deutsche Bank, have already opened offices in Poland and according to Mr Matthew Olex,

istry, up to seven wholly or partially-owned foreign branches could open branches by the end of March 1991.

These include Creditanstalt

from Austria and a consortium

including the International Finance Corporation, the World Bank affiliate, and the Dutch AMRO Bank as well as

the Banca Commerciale Ital-

#### head of Greek Socialists By Kerin Hope in Athens made few references to the

MR Andreas Papandreou, the former Greek prime minister, was re-elected leader of his pan-Hellenic Socialist Movecongress which was nonetheless marked by sharp criticism of the Socialists' performance during eight years in power. The congress yesterday elected a new 140-member cen-tral committee after formally approving Mr Papandreou's

months ago - to take Pasok into the Socialist International. The party has gradually moved away from its radical Marxist origins as it seeks to build a new moderate image following three election defeats in the past year. At the fourday congress resolutions were passed to encourage diversity of opinion within party ranks and promote women members, issues that had eroded support for Pasok especially among middle class voters. Delegates

financial scandals which contributed heavily to Pasok's election message. Mr Papandreou is still under investiga-tion for allegedly taking some of the proceeds of a \$300m (£106m) embezzlement at the Bank of Crete. The exception was Mr Costas Simitis, a respected former economy minister with aspira-

tions to succeeding Mr Papandreou as Pasok leader. He decision - carried out several spoke openly of socialist involvement in the bank scan-dal and went on to call for a more responsible approach to voters without recourse to "slogans that raise expectations but bear no relationship to

While Mr Papandreou, 71, seems to have avoided any challenge to his leadership for the time being, he is likely to come under increasing pres-sure to share decision making with leading party officials.

### Helsinki sees German union ending forces curb

FINLAND'S government bombers. considers that the Paris Peace The ch Treaty of 1947 limiting the country's defence forces will no longer be binding after the reunification of Germany, Enrique Tessieri reports from Helsinki. Some of these curbs stipu-

lated that the country's ground forces could not exceed 34,400 men and that Finland's defence forces could not acquire sub-marines, guided missiles and both countries.

The changes, likely to joit Finnish foreign policy out of its deference to its eastern neighbour, will also include a reappraisal of Article One of the 42-year-old treaty of Friendship, Co-operation and Mutual Assistance (FCMA) with the

Soviet Union.

However, President Koivisto
says the FCMA continues to serve the security interests of

## Ruling Bulgarian party in bitter leadership dispute

RITLGARIA'S ruling Socialist (former communist) party was last night locked in bitter disagreement over the composition of its new leadership.

The delay on an issue which will determine the pace of the country's economic, social and political reforms, stems from the deep divisions in the party between the older generation of communists who remain hesitant about dismantling the

power of the state, and the younger generation of radicals who want a complete break with the communist era.

The party won a comfortable majority in last June's free elections and until yesterday was led by Mr Alexander Lilov, a lacklustre apparatchik. Not prepared to take risks he was unwilling to allenate the con-servative faction of the party. Until the early 1980s, Mr

Lilov had close links with the Zhivkov family but was demoted by Mr Todr Zhivkov, ousted in a bloodless palace coup last November.

But yesterday, following two days of debate at the party's emergency congress, Mr Lilov said he would resign and asked delegates not to nominate him for the chairmanship again. The party needs a leader who is worthier and more prag-

matic than I am, in short a better leader," he said. But last night delegates had not decided whether to accept his resignation.

The composition of the new leadership will be crucial for Mr Andrel Lukanov, the Prime Minister and a senior member of the BSP. Last week, he finally formed a new government without including members of the Union of Demo-

faces is that if a conservative leadership is returned, he cannot rely on the BSP to throw its support behind his reform programme. Without such support, he is unlikely to persuade

the BSP-dominated Parliament of the need to provide a comprehensive economic and social programme for the 1990s.

## **Soviet Union** 'needs a strong central bank'

By Peter Riddell, US Editor, in Washington

THE Soviet Union needs a strong central bank and a single currency if it is to handle its serious economic problems, according to the International Monetary Fund-led study of

the country's economy.

The call comes as worries of the IMF and other western financial officials about possithe Soviet Union have been underlined by the arrival at this week's IMF and World Bank meetings of a delegation from the Russian Republic, as well as the officially-invited group from the Soviet govern-ment and central bank.

Mr Michel Camdessus, IMF managing director, stressed the Soviet Union's urgent prob-lems, particularly finalising the union treaty between the constituent republics. He hoped "they will adopt solutions which would allow the country to be properly managed with all the necessary instruments for monetary policy and macro-economic man-

agement of the country."
Mr Barber Conable, president of the World Bank, which is also involved in the study, has said: "Fairly early in the process of reform, you've got to get a central financial author-ity capable of allocating resources according to demand instead of political command." In private, western financial officials noted the contrast between the moves to monetery integration and a single central bank in western

republics for establishing their own central banks and issuing their own currencles.

The IMF study, set up by the Houston summit of the heads of government of the Group of Seven industrial countries, is due to report by year-end on Soviet problems and needs and how any western assistance might be useful.

A report from Mr Candessus on the Soviet study has been given to finance ministers and central bankers in Washington. The main problem has been establishing the right factual back for assessing what needs hasis for assessing what needs to be done, since the available data mainly relate to quanti-ties in centrally-planned pro-grammes than what is normal in a market structure. Mr Camdessus and others

have talked sympathetically about possible eventual Soviet membership of the IMF and the World Bank, though there has been no formal application yet, nor any discussion at the

It is now a live issue for the first time. Mr Pierre Bérégovoy, French finance minister, said that while the Soviet union, might be politically ready, "economically it is another matter". US officials also regard the issue as prema-

US officials are concerned about the energy, and especially oil supply, position in the Soviet Union and Eastern Europe. President Bush recently offered technical assistance to Moscow on oil devel-

### Britain argues aid must target poorest countries

By Peter Norman in Washington

BRITAIN has proposed that a greater proportion of aid flow-ing to developing nations should go to the poorest coun-

iries.
Mr Tim Lankester, permanent secretary in the UK Over-seas Development Administraseas bevelopment Annimistra-tion, said yesterday this was already the case with Britain, which sent 70 per cent of its aid to the world's 50 most

impoverished countries. He told the development committee of the International Monetary Fund and World ensure more of their aid directly helped the poorest peo-ple in recipient countries and added that poor nations which were making a genuine effort to overcome poverty should be

One test was whether a nations.

country had in place economic policies that encouraged

Earlier, Mr John Major, UK chancellor, told the committee that economic reform in developing countries required the fostering of private enterprise and government institutions that were open, honest and accountable.

The chancellor outlined his four-point plan to ease the offi-cial debt burden of the poorest developing nations to the com-

on a clear timetable for decision on an "early and substantial" capital increase for the International Finance Cor-poration, the World Bank atilliate that promotes private-sec-tor business in developing

# East Europeans must settle for advice instead of cash

By Stephen Fidier in Washington

EAST European governments are being welcomed into the international financial establishment this year in Washington. But they are finding advice easier to come by than cash certainly as far as private banks are

Czechoslovakia and Bulgaria are joining the International Monetary Fund and World Bank at this year's annual meetings. Romania, a long time member of the two institutions has also joined the International Finance Corporation, the Bank's pri-vate sector development arm.

wate sector development arm.
With Poland, Rungary and Yugoslavia already in the fold, the Soviet
Union is attending the meeting for the
first time as "special invitees".
For members of the institutions,
some money will be forthcoming — at
least from official sources. At the
start of the year Poland secured a
standby loan from the IMF and a \$1bn
credit from 24 denor countries to keep

credit from 24 donor countries to keep its currency stable while price reform was being undertaken.

The pattern is likely to be followed by Czechoslovakia at the end of this year. It wants similar financial help for its dramatic trade, price and for-eign exchange liberalisation proposed at the start of next year. Even Mr Theodor Stolojan, Romania's finance minister, has indicated here that it

would like a similar programme while the lei is made convertible. Stabilisation of the overall economy has been made even more difficult for east Europe by the Gulf crisis, which comes on top of a severe regional

energy problem. The collapse of the Comecon trade hioc and a requirement by the Soviet Union that its oil should be paid for in hard currency and at market prices has hit the region hard.
The Soviet Union's decaying oil

infrastructure has reduced supplies and left some countries with few



alternative sources of supply. But despite this, stabilisation is now being recognised as a relatively easy part of the exercise. Far more difficult is the question of structural reform of east Europe's micro-economic systems -the issues from legal reform to guar-entee property rights through to pri-

Here there is no single pattern emerging in the region and the advice of the Bank and IFC is perhaps as

important as the funds they will be able to provide. Mr Vaclav Klaus, Czechosiovakia's acerbic finance minister, disclaims any similarity between the track his country is taking and that being followed by other countries, such as Poland.

Observers, such as Mr Eugenio Lari, head of the World Bank's Europe, Middle East and North Africa Department, believes that after years of having an economic system forced on them from outside, the countries of the region are unlikely to submit to another economic template.

Asked what he has learned from the experience of the last year, Mr Jacob Frenkel, economic director of the IMF, says it is now clearer than ever that the privatisation process

will be a very long one.

Because of this he sees as desirable
a method of imposing market discipline on state enterprises. The issues pline on state enterprises. "The issues of efficiency and ownership can be separated," he suggests. Mr Klaus disagrees strongly. He believes privatisation must be accomplished quickly to lift the dead hand of state bureaucrats from manufacturing industry.

Because of the speed of privatisation, its large scale — he estimates almost three-quarters of the state will be privatised — and the lack of domestic capital. He is proposing that

vouchers should be distributed at nominal cost to the public. The public would use the vouchers to buy shares in state enterprises.

Because of this system foreign investment in the enterprises will mainly have to come after and not before privatisation.

It is the privatisation issue that seems most to interest the private financial institutions of the West. Finance ministers are often overwhelmed by the stream of "experts" who line up outside their offices -often says Mr Klaus offering inappro-



priate advice. For example, many of his US visitors have tried to press upon him the importance of employee stock ownership plans (Esops) as a method of privatisation. But such ideas he says are like

icing, and in a country where property rights are still fuzzy, there is not The Czechoslovaks have displayed impatience with international banks. They have clearly suffered — like the Hungarians, who have also serviced their debts, but have a significantly higher debt burden - from a neigh-

bourhood problem". Poland's and Bulgaria's halt on all payments to banks and the problems on payments of the Soviet Union's trade debts have hit those with a bet-

ter debt service record. Mr Josef Tosovsky, Czechoslovakla's central bank governor, says only banks that have been help to his country in foreign lending will be given licences to open banks in the

But it's not likely that there will be any rush to do that, particularly with the German banks giving the impresthe German banks giving the inhyes-sion that they are too wrapped up in German unification to think much for now about the rest of east Europe. In Poland, only two foreign banks have indicated publicly that they want to open branches — Citicorp of the US and NMB Bank of the Nether-

These two banks are among s minority showing interest in the domestic banking picture. A handful of others are falling in behind the international Finance Corporation on joint venture commercial banks in Hungary - where one is already established - and Poland, where

**Brady asks** 

debtors to

ment is expected scon.

Pierre Bérégovoy: monetary discipline

## France urges sterling's entry into ERM

STERLING should enter the exchange rate mechanism of the European mone-tary system "as soon as possible", Mr Pierre Bérégovoy, France's finance min-

ister, said yesterday. Mr Bérégovoy said in Washington that the monetary discipline involved had helped other participants bring down inflation. "A strong currency is a strong rampart against inflation."

He noted that, when there was mar-ket talk of sterling joining the mecha-nism, the pound's exchange rate went up. The converse happened when there

was talk of it staying out. Early entry would be good both for Britain and for the building of Europe, he said.

Commenting on the weekend meeting of the Group of Seven industrial countries, he said the communique was intended to signal that exchange rates were currently "all right".

"What we're saying today is that exchange rates are broadly consistent with fundamentals."

Mr Beresovov added that, if the dol-

Mr Bérégovoy added that, if the dol-lar declined further because of developments in the US or elsewhere in the world, ministers "would have to consult and decide what to do". Like Mr Nicholas Brady, US treasury secretary, Mr Bérégovoy atreased the twin risks of inflation and recession and added the prime objective was to avoid a rise in global interest rates. He stressed the global need was to avoid "escalating interest rates".

In relation to France at least, he added, because of the currency's strength "a certain degree of leeway might manifest itself" in the coming

reach deals MR Nicholas Brady, the US treasury secretary, yesterday urged Brazil to address the problem of its commercial bank arrears, Beuter reports from Washington.

Mr Brady's remarks, prepared for delivery before the international Monetary Fund and World Bank development committee, said that "action by Brazil to address its commer-cial bank arrears and to adopt an IMF programme will also provide a firm basis for negoti-ations with its creditor banks"

Mr Brady also encouraged Bolivia, Ecuador, Poland and Urugusy, that have opened dis-cussions with commercial banks, to reach agreements

Brazil, which has tentatively set October 10 to begin debt negotiations with its commercial bank creditors, said it wanted an agreement as soon as possible with creditors on rescheduling its \$115bn debt, but any deal must reflect the

"Brasil will pay what it pay, we will not pay what we cannot pay, it's a payment capacity problem." Mr Eris said the success of an economic reform programme introduced earlier this year by Brazil hinged on a speedy set-tlement of the debt problem.

## ■ IMF/WORLD BANK NOTEBOOK

Monetarist conversion on the road to Washington

By Stephen Fidler and Peter Norman

IN AN atmosphere of almost religious conversion by some countries to market economics, some ministers in Washington some ministers in Washington are developing a reputation for realotry. Leader among them is Mr Vaclav Klaus, Czechoslowakia's finance minister.

He dismisses the reported suggestion there are differences between himself and his president, Mr Vaclav Havel, shout the pasce of economic

about the pace of economic reform. There is no alternative, he says, to rapid restructuring of the economy. Mr Klaus developed some

attack on Federal Reserve chairman, Mr Alan Greenspan, at a recent convention in Wyoming. Mr Greenspan was taken aback. "I'm used to being criticised," he is reported to have said afterwards, "but not from the right." In Wash-

ington he has taken to compar-ing tronically Czechoslovakia's privatisation programme, expected to cover 70 per cent of the economy, with the "brave" privatisation effort of Mrs Thatcher's Government, totalling 5 to 6 per cent.

MR Jacques Attali, the president designate of the European Bank for Reconstruction and Development, is emerging as the stormy petrel of the inter-national monetary scene. He has ruffled the feathers of finance ministers and central

bankers of the world's richest countries by rechristening his bank the "Bank of Europe". The title had already appeared on EBRD publicity material before this week's International Monetary Fund and World Bank meetings in

Washington. But trouble really

started after Mr Attali used it extensively in a talk to the Bretton Woods Committee. Mr Karl Otto Pöhl, the Bundesbank president, was quick to condemn Mr Attali's action as unacceptable. He pointed out that European central bank governors were discussing the possible creation of a European

central bank and might want to call it the Bank of Europe. Mr Pohl complained that this was not the first time that somebody had adopted a name for a new institution without consultation. The European dubbed the proposed European central bank the Eurofed without telling anybody. The central bankers had later rejected this because they considered the word Fed to be slang.

Mr Theo Waigel, the West

German finance minister, was

Attali's action. "When I signed up to that bank it was called the European Bank for Recon-struction and Development," he said, adding that in the international pecking order it ranked behind the DAF, World Bank and the Paris-based Organisation for Economic Co-operation and Development. THE recent news that Mr Attali had recruited Mr John

even more dismissive of Mr

Flemming, the Bank of England's chief economist, to be the EBRD's general counsel and economist has triggered speculation about who should now go into the Bank of England job.

Professor Alan Budd, chief economic adviser of Barclays Bank, has been tipped as one possible candidate. However, the Bank has an excellent Mervyn King, head of the financial markets group of the London School of Economics, is already a member of the Bank of England court.

economist nesrer to hand. Prof

He is at present carrying out research in the United States, but that is expected to be fin-ished well before next March when Mr Flemming moves to the EBRD.

THE DAF had no sooner got accustomed to the kies of a Soviet delegation attending this year's meeting, than it received news that the Russian Federation had also sent a high powered team to Washington. But while the Soviets enjoyed widespread access to this week's events by virtue of being "special invitees", Mr Boris Yeltsin's delegation are strictly unofficial visitors.

# nation's ability to pay.

"To ask or demand the impossible will not be the solution," the central bank president. Mr Ibrahim Eris, said yesterday ...

#### **AMERICAN NEWS**

### De Klerk reform efforts win Mulroney show of support from Bush

PRESIDENT George Bush welcomed President F.W. de Klerk to the White House yesterday in a show of support for his efforts to dismantle apartheid and create a multi-racial democracy in South Africa. Mr de Klerk, looking pleased

at the outset of his one-to-one talks with Mr Bush in the Oval Office, said: "It's marvellous to Before the talks, US officials said Mr Bush's aim would be to pay handsome tribute to Mr de Klerk for his reform efforts. But this praise would be tem-

The White House session was the first meeting between Mr de Klerk and Mr Bush, and the first time a South African

pered by a warning that fur-ther progress must follow if economic sanctions are to be

cial visit to Washington since Mr Jan Smuts arrived in 1945. Mr de Klerk said on his arrival that he would not press Mr Bush for relief on sanc-tions, but would argue that pressure against Pretoria was

no longer necessary because the regime was "irreversibly" committed to reform. Mr Bush invited Mr de Klerk after the South African presi-dent released Mr Nelson Mandela, the black nationalist leader, from prison.

Mr Mandela was given a tumultuous reception during a 12-day tour of the US in June,

although his reception at the White House was cooled by equivocal statements on vio-

lence. The de Klerk visit has been overshadowed by the recent upsurge in violence in South African black townships which

may 'pack' Senate to get his way has seen more than 1,700 peo-ple killed this year. Anti-apartheid demonstra-By Bernard Simon

MR Brian Mulroney, Canada's

prime minister, has threatened to use an obscure constitu-tional provision to pack the federal Senate with governsional black caucus to cancel its scheduled meeting with Mr Mr Randall Robinson of ment supporters as a way to overcome opposition attempts to stall key legislation. Faced with widespread hos-tility to legislation for a new 7 Transafrica, one of the driving forces behind the 1986 sanctions legislation, said the de Klerk visit was nothing more than "a superficial photo per cent value added tax, due to take effect on January 1. Mr Mulroney also named another

Progressive Conservative Party to bolster government support in the non-elected gressional leaders today and will deliver a speech at the National Press Club in an effort to persuade opinion lead-ers that South Africa is irre-

five supporters of his ruling

In 1984.

The Canadian constitution allows the government of the day to enlarge the Senate by up to eight members. Mr Mulroney said he was considering using this provision.

strike settled

THOUSANDS of Canadian Ford workers overwhelmingly oproved a three-year contract late on Sunday, ending an eight-day strike, the Canadian Auto Workers union said, Reuter reports from Toronto. More than 85 per cent of the 12,800 workers voted for the pact, the union said. The set-tlement will serve as the basis for contracts still to be negotiated with General Motors of Canada and Chrys-

to her husband's entire monthly wage packet. "If we pay this, how can we eat?" she asked. Similar scenes are being enacted across Peru, the conse-

But built-in inflationary expectations during the 10-day delay between President Ful-morl assuming office and the announcement prompted pri-vate companies to double or triple prices even before the

water costs.

Peruvians are ill-equipped to aboorb such severe "stabilisation". Under the previous five-year administration of Mr Alan Garcia they had seen the purchasing power of the legal minimum wage halved. With Mr Fniinon's measures the pairy Fujimori's measures the pality remainder has fallen by a further 70 per cent. Apart from sporadic looting

nation. Tight security control and an increased police and army presence on the streets of the capital Lima have dis-sunded further of violence. bilisation programme is zero monetary emission. Tight

SUSPECTED leftist rebels have kidnapped at gunpoint the vice president of the Peruvian legislature's lower house, seizing him from in front of his mother's house in a Lima shanty town, AP reports from Lima. Authorities said yesterday

the two men with pistols who took Mr Giraldo Lopez Quiroz, a member of President Alberto Fujimori's party, were probably mem-bers of the pro-Cuban Tupac Amaru Revolutionary Move-ment. The movement is one of two leftist insurgent groups in Peru.
The kidnappers made no immediate demands.

exchange rate is intended to stay at about 450,000 intis against the dollar until the end of the year.

According to one approving economist, "the inflationary tiger has been stopped dead in its tracks". An official inflation rate of 1.5 per cent for the first fortnight in September bears him out. Mr Garda's familiar yawning fiscal deficit may disappear altogether this month. Three new taxes - a temporary 10

per cent levy on exports, a hefty tax on higher fuel prices

and a 2 per cent charge on all cheques written - are expected to haul in revenue. But there are fears the recession has cut too deep. Produc-tion levels, already low, fell by about 40 per cent last month. Independent economists are forecasting a 25.8 per cent drop in gross domestic product between August and December, signalling an overall 5 per cent fall for 1990.

Most businesses are publicly supporting the government measures. But they are wary. They see the programme is working and they want it to work. But they are not totally convinced. They still aren't changing their dollars into intis, one economic

Exporters, the intended leaders of economic reactivation, are also grumbling. The low dollar, barely half of what they consider "parity", combined with emergency taxes and, sharply higher transport costs, makes them "worse off than ever," according to an Exporters' Association committee head. They anxiously wait to see whether tariff announce-ments, again delayed but promised this week, will improve

their position.

panies can hope for is survival until December, with the pros-pect of gradual but unspectacu-lar growth following. But most companies are laying off workers and, with huge electricity and fuel bills locuring, are cutting every possible operational cost. Interest rates are tumbling the cost of the bling but no one wants to borrow. Sales are 60 per cent down
across the board. Prices must
fall, according to traders.
Outside Lima, life is even
more difficult

The best most Peruvian com-

One of Peru's worst droughts in 50 years has been afflicting Andean peasant farmers since the start of the year. There is a desperate lack of seeds for this season's planting, now under way, with the consequent danger of further food shortages in

Farmers also face tighter and more expensive credit. The state Agrarian Bank has been accustomed to swallowing up three-quarters of the latts printed by the Central Reserve Bank. But with the zero emission policy, finance for this season's agricultural campaign will not exceed \$300m (£159.5m). Farmers will have to pay real interest rates too. Mr Hurtado Miller estimates 11m Peruvians, about half the population, are suffering "criti-cal poverty". The social compensation programme is believed to be reaching few of the needy outside Lima, and Mr Pulimori has already had to replace the programme's con-



multi-party criticism. About \$415m should be made available between now and Decem-

Mr Fujimori, who cam-paigned on a "no-shock" pro-gramme, has distanced himself from the austerity adjustment. The premier and cabinet widely considered dispensable, make the unpopular announcements, while the president has intervened on behalf of the people to demand sharp decreases in prices of medi-cines, or to decree that August electricity bills be paid in three instalments

instalments next year. Mr Fujimori's task will become no easier. His Cambio (Change) 90 party has fewer than a quarter of the seats in Congress, so support from other parties must be sought continuously. So far his request for emer-

gency legislative powers has not been granted and there is mounting opposition to his designated candidate for the important central bank presidency.
With his own improvised
With his own improvised

party frequently split, Mr Fuji-mori needs to hang on to the popular support he still enjoys more than 50 per cent, according to a survey published this week.

## Talks over US budget resume against a fractious backdrop

US BUDGET negotiators to enforce a deal. resumed talks yesterday amid Mr Dole's endsigns of increasing strain higher taxes falls between the White House and congressional Republicans over how to agree to cut the deficit, writes Lionel Barber. The latest evidence of friction emerged after Senator Robert Dole, Republican minority leader, endorsed higher income taxes on wealthy Americans to offset President

George Bush's proposed cut in capital gains tax. In response the White House said budget negotiators were "not even close" to an agreement in the four-month talks aimed at cutting the federal budget deficit by \$50bn in fiscal 1991 and \$500bn over the next five years. Divisions remained on the detail of spending cuts and the means

Mr Dole's endorsement of higher taxes falls short of Democrat demands to raise the per cent, but it means the

separating the capital gains tax cut from the deficit reduction package. The proposal met a cool reception at the White House, which suspected a ploy to defer, or even ditch, the cap-

interest in the negotiations.

taxes on higher income to 33 Republican leader has split ranks with the White House twice in the past week. Last week Mr Dole suggested Newt Gingrich, the House

ital gains cut. Like most negotiators Mr Dole is frustrated at the slow pace of the budget talks and the threat of automatic spending cuts - totalling \$85bn unless agreement is reached by October 1. But he has a special

often emerged as the man who could produce the right com-promise at the right time to break stalemates between the executive and congress.

He is also a "balanced budget" Republican who has little time for "new age" Republicans such as Congressman

tors have re-appeared this week in Washington, succeed-ing in influencing the congres-

opportunity to put a smiling

face on a sad and tragic situa-

minority rule.

Mr de Klerk will meet con-

minority whip, who consider tax cuts sacrosanct. A former Republican presidential candidate in 1988, Mr Dole is still hitter about the role played by Mr John Sununn, then governor of New Hampshire and now White House chief of staff, in his election defeat. "My view is the White House should negotiate capital gains," said Mr Dole at the weekend, "... so let Sununu work that out."

support in the non-elected upper chamber.

Mr Mulroney has filled 15 Senate vacancies in the past month, but even with these appointments the Tories still fall short of a majority in the 104-member chamber.

Supporters of the opposition Liberal Party hold 52 seats, thanks to a rash of appointments made in the dying days of the last Liberal government in 1984.

Ford Canada

in the wake of the price increases, Peruvians have reacted with accustomed resigliquidity controls mean the

## Fujimori's austerity drive backfires Sally Bowen on a miscalculation that has sent Peru's prices soaring

A stood weeping on the pavement outside the Lima electricity company's offices. Her August bill was twenty five times higher than July's and equivalent

quence of a substantial government overshoot on price adjustments.
The economic team of newly elected President Alberto Full-

mori has miscalculated. It had expected austerity measures, announced on August 8 by Pre-mier Juan Carlos Hurtado Miller, to result in 200 per cent inflation for the month, with the exchange rate doubling immediately to 450,000 intis to the dollar.

first price increases — a stag-gering 3,000 per cent jump in petrol and an eight- to twelve-fold rise in electricity and

The nub of the Fujimori sta-

CAMPAIGN of civil disobedience against the Nic-araguan government's auster-ity programme was launched at the weekend by the opposi-tion Sandinists positioned tion Sandinista party and affiliated trade unions, as cabinet ministers prepared for talks in the US with the IMF and the World Bank

Measures called for include the occupation of state factories and farms facing privatisation, the non-payment of electricity and water bills and an escalating series of demonstra-tions and strikes to halt lay-offs in the public sector.

Mr Lucio Jimenez, head of the powerful National Work-

ers' Front (FNT), Nicaragua's biggest trade union federation, said on Sunday that "at some point, we must consider calling upon the armed forces to defy the government but for the

moment this is not necessary".

The existing armed forces were created under the Sandinista government which is now in opposition. They face a 30 per cent manpower cut by the end of the year under plans announced by the government

The army has sought funds from the government for jobs and housing for its redundant soldiers but the government's new austerity measures have only earmarked funds sufficient to last two to three months in unemployment ben-effits for those being laid off in the army and public sector. Army manpower has been

cut by 50 per cent from 90,000

troops at the beginning of the year. Under-employment and unemployment in Nicaragua is unofficially put at 40 per cent of the economically active popnlation.

Last week, as busdrivers occupied depots over plans to privatise public transport in the capital, the government appealed to the trade unions and the business and the business and the business and the business are the business and the business sector to join it in talks about the framework of its new structural adjust-

ment policy.
The FNT refused, saying that the unions were being asked to rubber-stamp decisions already taken in prepara-rion for Nicaragua's talks this week with the IMF and World Bank over structural adjust-

Mr Bayardo Arce, a San-dinista party boss, told the Financial Times: "We are not going to endorse an economic policy of the government which sweeps away the social advances made over the past 10

A general strike organised by the FNT last July brought the country to the verge of civil war, when rightwing paramilitaries assaulted the strikers' picket lines and berri-

In the past week, a new clandestine leftwing organisation calling itself the "Workers" Revolutionary Committee" (CRT) has been calling journalists to say it is arming itself and preparing for a confronta-tion with the right-wing pera-

Untangling the complexities of an imperfect market Jurors find it hard to concentrate on the work of the Chicago futures exchange, writes Barbara Dunn

he last two of three scheduled trials of futures traders and brokers are underway in Chicago and the government prosecu-tion and the defendants' lawyers are battling not just their cases but the soporific effect these have on the juries.

Fourteen yen traders and brokers and 10 soyabean traders and brokers are standing trial for allegedly cheating cus-tomers. All are charged with multiple counts of criminal fraud and many face in addition the more serious charges of racketeering conspiracy, designed for organised crime mobsters. These latter charges carry jail sentences of 20 years or more and oblige forfeiture of personal assets acquired with the proceeds of the conspiracy.

Yet, no matter the gravity of charges, lawyers' explanations of the arcane business of futures trading had jurors not-ding off or fidgeting heroically to stay awake, raising the prac-tical question of how to try such complex cases before

The trials are expected to wear on for up to six months. The ability of a jury to under-stand futures trading cases thoroughly enough to arrive at conclusions remains in ques-tion following the mixed ver-dict in the first trial, which ended in July. That jury was able to arrive at verdicts on

only a tiny fraction of the charges against one broker and two traders of Swiss francs, and those were the lesser ones. The three men are to be retried on the deadlocked counts.

The government prosecution in both the current cases relies heavily, as it did in the first, neavily, as it did in the first, on the evidence gathered by undercover Federal Bureau of Investigation agents who posed as corrupt traders from 1988 until January of 1989. This includes hundreds of snippets of the agents' secret tape ordings of action in the pit recordings of action in the pit and conversations out of it, including on barstools.

The FBI probe led to 48 indictments last year. Strong corroborating testimony is also to be offered by traders who pleaded guilty in both cases and are now co-operating with the covernment.

In the soyabean case, 19 traders and brokers were indicted but nine, including three in the last month, have pleaded guilty. In the yen case, six of the 21 indicted have pleaded guilty and one pleaded no contest. All are co-operating with the prosecution in return for reduced charges and sentences. Its assistant district attorney US assistant district attorney Miss Lisa Huestis revealed perhaps the hardest evidence in any of the cases, a \$60,000 check that she said was part of a kickback scheme to a broker.



The soyabean pit at the Chicago exchange: FRI agents infiltrated the trading floor

charges in its opening statements at both trials that bro-kers foisted off losing trades on accommodating local traders - independents who trade for their own accounts - and later paid them back by channelling them profitable trades,

at customer expense.

All this, the government says, systematically cheated

customers of market opportunities and profits. While the defence strategies of the 24 defendants vary, a number of the traders' lawyers have argued in opening statements that their clients knowingly violated the exchanges' trading rules, but did not intentionally On the contrary, they con-

tended rules were broken to fill orders in the way customers wanted amid the crush of hectic trading. They pointed out that customers, who under-stood how the floor worked, never complained about the services they received. One broker who watched the trial of his ex-colleagues later agreed with this description, saying, "exchange rules are dif-ferent than exchange custom". But he said that since the investigation came to light bro-kers and traders had become significantly more cautions

and that some brokers, who must assume financial liability for their mistakes, had "taken big hits" to their personal Broker liability is at the

heart of the government's cases. Other defence attorneys are arguing that their clients did nothing wrong and that the FBI agent, an inexperienced newcomer to the chaotic pits, could not accurately under-

While the strength of the evidence and the clarity of its presentation will nitimately decide these cases, the atti-tudes that underlie the argu-ments on both sides of the trials may sway the juries.

The government prosecution is infused with a sense of moral outrage that traders did not play by the book and that consequently customers lost market opportunities and profits. The defence, on the other hand, while trying not to seem cavalier about business ethics, has taken the stance that in the real world, sometimes a few corners are cut and mistakes are made but that's the way business gets done.

## **READ ME!**



Everyday the world's media pour out vital facts, figures and comment. How can you possibly read it all to find what you need?

FT PROFILE is an online service which enables you to search through thousands of publications to find information quickly and easily.

To find out more, call FT PROFILE on 0932 761444 or complete and return this coupon.

PT PROFILE is part of the Pistancial Times Group										
		APT 20	3 25/							
		<u> </u>	_							
			-							
	*		_							
ation's Busin	nes is									
	<del></del>									
[]under	50 - 100 110 in	FT PROFILE, PO E	iog 1							
- مجدرو سينا		Middlesex TW167	-							
☐ Yes		Tel 0932 761444	Ų.							
		ortion's Business is	cotion's Business is							

### FT hand delivered in Turkey

At no extra charge, if you work in the business centres of Ankara, Adana, Adapazari, Antalya, Bursa, Eskisehir, Istanbul, Izmir, Kayseri, Kibris, Kocaeli, Manisa, Mersin, Samsun, Trabzon

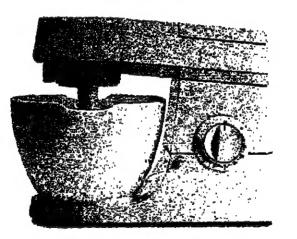
 **Istanbul 5120190/10 lines** And ask for Metin Gurel for details,

FINANCIAL TIMES

## Five great innovations from two of Scotland's most resourceful companies.



THE OIL FIRED KETTLE.



THE COAL POWERED FOOD MIXER.

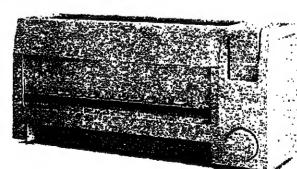


THE NUCLEAR FUELLED HAIRDRYER.



#### THE GAS POWERED VIDEO.

Scottish electricity is an industry with a difference. Between us at ScottishPower and Hydro-Electric, we are equipped to generate our electricity from hydro, coal, oil and gas and we have access to nuclear. We're quite distinct in other ways too. We don't just generate, we also distribute and sell our own electricity. All the way from the power



THE WATER DRIVEN TOASTER.

station to the plug point. Then there's our capacity to export electricity south of the border. In normal operating conditions we can export every day of every week. 52 weeks a year. Yet we can still cater fully for Scotland's needs.

All things considered, at ScottishPower and Hydro-Electric, we have a great deal going for us. As time will tell.



ScottishPower HYDRO-ELECTRIC



The two Scottish electricity companies

Issued by Scottish Hydro-Electric pic and by Scottish Power pic and approved for the purposes of section 57 of the Financial Services Act 1986 by Charterhouse Bank Limited (save in relation to information specifically relating to Scottish Power plc) and by Samuel Montagu & Co. Limited and Noble Grossart Limited (save in relation to information specifically relating to Scottish Hydro-Electric plc). Charterhouse Bank Limited is a member of TSA and financial adviser to Scottish Hydro-Electric plc. Samuel Montagu & Co. Limited and Noble Grossart Limited are members of TSA and joint advisers to Scottish Power plc.

#### **UK NEWS**

#### BRITISH ECONOMY

## Drop in imports signals slowdown

By Peter Marsh, Economics Staff A DECREASE in imports last nonth provided further signs of a slowdown in the UK econor a slowdown in the UK econ-omy. At the same time expected, held up better than expected, although analysts warned yes-terday that the figures may decline over the next fev

On a seasonally adjusted basis, imports fell by 1.5 per cent to £9.8bn between July and August Exports rose 4.5 per cent over the same period to 28.6bn, according to figures from the Central Statistical

As a result of these move-ments, the visible trade deficit in August was £1.1hn, £0.6hn lower than in July. Part of the reason for the smaller deficit was a reduction in the trade gap in erratic items – highly expensive products such as air-craft and ships. In August exports in these goods rose by £0.2bn while imports fell by

CURRENT ACCOUNT (2bn)									
	Corrent Balance	Balance	Visible Trad Experts	imports	Invisibles Balance				
1988	-15.2	-21,1	80.8	101.9	+6.9				
1989	-19.1	-23.8	92.8	116.8	+4.7				
Qtr 4	-3.8	-4.4	25.0	29.4	+0.6				
1990									
Otr 1	-4.6	-5.8	25.4	31.2	+1.0				
Qtr 2	-4.9	-5.0	26.1	31.1	+0.9				
Milly	-1.4	-1.4	8.9	10.3	+0.3				
Jun	-1.5	-1.0	8.6	10.2	+0.8				
Jul	-1.7	-1.7	8.3	9.9	0.0				
Aug	-1.1	-1.1	8.6	9.7	0.0				

Last month's smaller deficit was also helped by a higger surplus in Britain's oil trade, which increased to 20.2hn, 20.1hn more than in July. The CSO is assuming that Britain's invisible trade

 which include services, royality payments and other financial transactions — was in balance both last month and in July.
On the besis of this assump-

lying picture. In the three months to August, exports were 1.5 per cent less than in the previous quarter, confirming the view that export-oriented manufacturing compa-nies are finding life more difficult – a result of the high tion, which is likely to be changed in the next few sterling exchange rate and the alowdown in the global econ-

the overall current account deficits for both months is for the moment described as identical to the visible trade deficits for these periods.

Quarterly figures for visible exports and imports give a bet-ter view of underlying trends in the economy. In the three months to August, imports

months to August, imports
were 6 per cent down on the
previous quarter, underlining
the slowdown in consumption.
UK manufacturers, even
though they may be heartened
by the promising export figure,
are concerned about the under-

GLOBAL WARMING

## London issues strongest warning yet

By John Hunt, Environment Correspondent

THE STRONGEST warning on the dangers of global warning yet to come from the British government was delivered yes-terday by Mr John Wakeham,

the energy secretary.

Speaking on the eve of the publication of today's policy document on the environment he said temperatures could rise so much that it could "make Saddam Hussein's current territorial ambitions pale into insignificance". He said that the role of

nuclear power-the only major energy source which did not contribute to global warming-needed to be looked at again in order to offset the threat. Energy efficiency and renewenergy, wind and hydro-elec-tric also had to be stepped up. The vast majority of people had yet to become convinced of the reality of the threat.

We may not yet have been frightened enough. If we con-tinue to contribute to an acceleration of climate change sea levels could rise to submerge nearly a quarter of a million miles of coastline by the end of the next century.



John Wakeham

"The world could be facing extensive drought, famine and disease."

A bitter clash between the government and Greenpeace, the environmental pressure group, took place yesterday. It was sparked off by a report published by Green-peace claiming that the government's environmental policies were so had that Britain would remain "the dirty man of Europe" into the next cen-

Chris Patten, environment sec-retary, accused Greenpeace of the "worst sort of political pol-lution". He said it had made no contribution to the debate on the policy paper and had become "shrill and partisan". Yesterday he said on BBC Radio that the criticism by some green pressure groups was "preposterous and non-Lord Melchett, executive director of Greenpeace, accused Mr Patten of making "cheap jibes" and inaccurate

and unfair accusations against the organisation. He saw the attack as an attempt to drive a wedge between the environmental organisations.

Britain's leading expert on climate change today called on the United States to set a turget for stabilising greenhouse gases, adds the Press Association. Dr John Houghton, chairman of an intergovernmental panel on climate change-which has advised the Govern-ment on measures needed to

tury unless the policy paper avoid the threat of global troduces sweeping changes. In advance of the report Mr warming-made his appeal at the launch of the Climate

range Report. "I think it would be helpful if America set a target for stabilising their emissions in order to show the world they are taking it seriously," he

The United States has so far refused to name a target date for curbing carbon dioxide and other warming gases in the

Mrs Thatcher has said that the UK will attempt to peg car-bon dioxide at 1990 levels by Suropean countries have gone further by deciding to make bigger cuts five years

The split, which resurfaced at the weekend during infor-mal EC environment ministers' talks in Rome, will be at the centre of negotiations at the second world climate conference in Geneva next month.

Dr Houghton's report predicts rising sea levels as the
earth surface warms up
through the imbalance of

## Greens wary of grasping the nettle

Ralph Atkins at the Green Party conference examines tactical debates

YEAR after their European election triumph, members of the UK's Green Party are still refusing to behave like normal politi-

Today Mr Chris Patten, the ruling Conservative government's environment secretary, will unveil a policy paper

which is likely to berrow heavily on policies the Greens have long been advocating. The Greens are thus in dan-ger of losing the political initia-tive-but seem divided as to how to respond. Far from wanting to selze real power, most Greens

real power, most Greens appear content merely to organise. "We are delighted when the other parties actually begin to take on board the things we have been saying," said his Sara Parkin, Green

Party speaker.

In the past year, the party's electoral chances have been dashed by internal contradictions. Greens want fundamental and dramatic changes to modern industrial societies, but also want to win elections. They want a sense of direction, but do not like strong leaders.
The party is a collection of 19,000 like-minded individuals who try to involve as many as possible in decision-making.
But this can result in cumbersome conferences bogged down by procedural combat. Policy-making is long-winded, more likely to be dominated by amendments to amendments than the substance of ideas.

believes that such a structure is inappropriate if the party is to win infinence. In the Green parties of other countries the debate has been described as one between "realists" and "fundamentalists". In Britain, it is more that individual members want to have their cake and eat it.
Those with stronger "realist"

tendencies have organised around the banner of "Green 2000". It urges the party to aim for government by the begin-ning of the next century with an elected "leadership team". "I don't see the point of hav-ing beautiful policies if no one is implementing them. It is like locking works of art in your basement," sald Ms Jean Lam-bert, another party speaker. Even here there is little com-promise over ideas. More the aim is to make the Green agenda more palatable and to focus on developing saleable "transitional" policies — such as a Green budget for its first

term of office. term of office.

Green 2000 faces substantial obstacles. Words like "leader-ship" and "taking power" are emotive. "I don't want to be in power. I want to share power with the people," says Ms Penny Kemp, an activist. "I want to enable people to have power in the political system."

Green Party supporters launch radical plans to increase mobility in London. Currently the Green Party is represented in public by "speakers". On Monday the conference decided to elect six conference decided to elect six such representatives annually. But, speakers are not to be confused with leaders.

"Leadership is about presenting vision. That doesn't require one person, it should be revolving because people come up, present a vision, and than step back," said Ms Kemp.

But the cost of such idealism is that changes in the structure of the party have been barely perceptible. And, as Mr Patten will prove today, some of the Green party's clothes will be stolen by others.

## Poor bill of health for cellular industry

By Hugo Dixon

DIRE WARNINGS about the health of the UK cellular communications industry were given yesterday by one of its ploneers, Mr Marc Albert, managing director of Euro Cellular, a cellular retailing company.

Speaking at the Financial es Conference on World

Mobile Communications in London, Mr Albert said many cellular service provid-ers - which retail services on behalf of the network operators - were saddled with bad debts and some were in danger of going bankrupt. He also said unscrupulous practices by some service providers had aged the reputation of the



WORLD MOBILE COMMUNICATIONS

industry. "They have slaugh-tered the very goose that laid so many golden eggs."

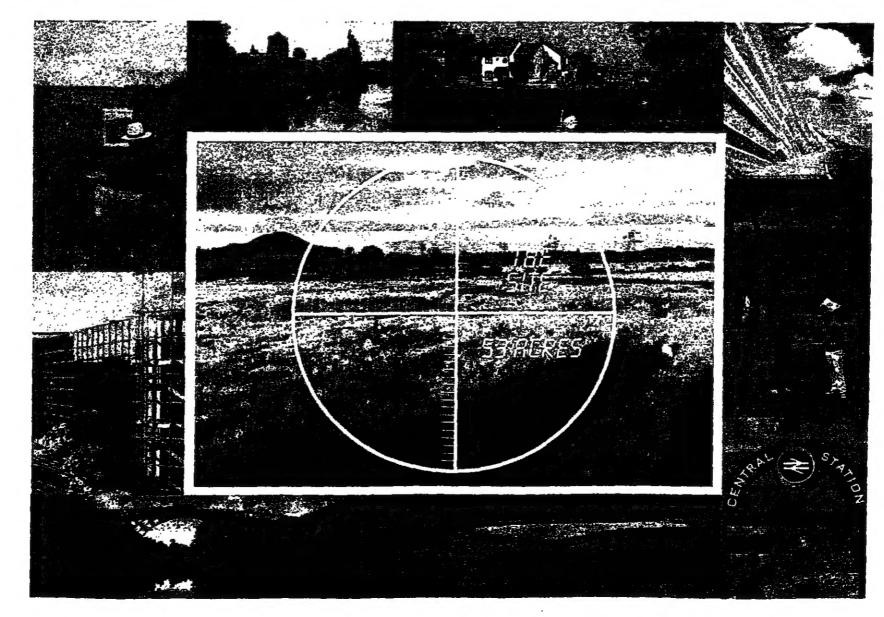
Mr Albert's comments were in stark contrast to the previous success of the UK cellular industry, which has signed on more than 1m customers in five years of operation. Mr Peter Mihatsch, chair-man of Mannesmann Mobilfunk, which recently won the licence to run Germany's accord cellular network, said his company would follow the British example of encouraging service providers but would try to avoid many of the mistakes that had been made.

Mr Armin Silberhorn, head of the European Telecommuni-cations Standards Institute's technical organisation, turned his attention to the mobile communications services which would appear at the end of the century. Known as Universal Mobile Telecommunications Services, these systems must be worldwide, personal services attracting 50 per cent of the population and must be capable of supporting high traf-fic densities, he said. Mr Keiti Tachikawa, associ-

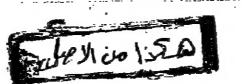
ate vice president of Nippon ate vice president of Nippon Telegraph and Telephone, the Japanese telephone company, explained that the Japanese cellular market was still growing phenomenally. The number of customers doubled to 500,000 in 1985, was expected to double again this year and was forecast to reach 10m by the year 2000.

## Japan's largest auto component maker has set its sites on Telford.

When Nippondenso, Japan's largest auto component manufacturer announced that it had chosen a site in Telford as its European base it was in good company. 19 major Japanese organisations live and work here, part of a total of 111 overseas investments. They are drawn by the tremendous range of modern facilities available in this community, uniquely sited in the beautiful rural surroundings of Shropshire and yet just 45 motorway minutes west of Birmingham and the West Midlands marketplace.



Call Commercial Director Chris Mackrell now on 0952 293131 or write to Telford Development Corporation, New Town House elford Square. Town Centre, Telford, Shropshire TF3 4JS.



By David Blackwell

nettle

Missin

or visited is

THE BRITISH Government today imposed a statutory ban on animal feed using specified cattle argans after a research programme proved that a pig can contract the so-called "mad cow" disease, the virus which led to a European ban on imports of British beef earlier this year. lier this year. The pig which contracted

the disease was one of 10 inoc-ulated with infected material at the Central Veterinary Laboratory at Weybridge, southern England

It is the first experiment to show that pigs can catch bovine spongiform encephalo-pathy (BSE).

As a result of the experiment, the Government has made statutory from midnight made statutory from mannight last night the voluntary ban by animal feed compounders and pet food manufacturers on the use of the specified cattle offals already prohibited for human consumption. These include the brain, spinal cord and spleen.

Mr Keith Meldrum, the Government's chief veterinary officer, stressed yesterday that no pigs had contracted the disease orally, or in natural con-

The experiment demonstrated that pigs were capable of succumbing to the disease under extreme laboratory

Mr Ray Bradley, head of pathology at the laboratory, emphasised that inoculation with a large amount of infected material was "a totally unnatural route which could not by any stretch of the imagination occur in pig term-

Further experiments are continuing; preliminary results have already shown that sheep and goats can con-tract BSE by innoculation, confirming their known susceptibility.

Over the last 12 months

nearly 13,000 cattle have been slaughtered because of BSE. The number could at least double pext year as numbers continue to rise before the effect comes through of the 1000 len on bedlue combood

## Ban imposed Polly Peck tries to clarify affairs for stock exchange

By Clay Harris and Richard Waters in London and Haig Simonian in Givrins, Switzerland

THE BOARD of Polly Peck International last night was still trying to draft a detailed statement about its affairs which satisfied both its lawyers and the stock exchange. Directors, meeting for the fourth consecutive day, agreed on a text but the company indicated that the Stock Exchange

was "being particularly sticky." The fruit trading and consumer electronics group said it hoped to make an announce-

ment today. Trading in Polly Peck shares was halted last Thursday after the price fell by more than half when it became known that the offices of South Audley Management, a company linked with the family of Mr Asil Nadir, chalrman and chief executive, had been searched by the Serious Fraud Office. Nadir was also questioned by the SFO that day.

Peck's request that inspectors be appointed to investigate and report on its affairs. Polly Peck yesterday avoided

immediate eviction from the FT-SE 100 index of leading UK quoted companies, but the index's steering committee said it would reconsider the issue at the close of business on Friday.

The committee is required to consider the position of any share which has been suspended for two days -something it has never thought to have done before, according to Mr Peter Jones, chairman. Given the SFO inquiry, be said, there were complex legal questions that had to be taken into account. "It's not simply a question of a share having fallen in value."

In Switzerland, a close aide of Mr Jason Davies, the former UK stockbroker whose transac-tions in Polly Peck shares have been investigated by the Lon-don stock exchange's insider The Department of Trade and Industry said yesterday that it was studying Polly dealing group, confirmed that

a converted farmhouse in the village of Givrins was the headquarters of Nadir Investments, a private investment

ments, a private investment company.

A communal official at Givrins, where information about the company is held, said that Mr Asil Nadir was chairman of Nadir Investments. According to his aide, Mr Davies himself was not at the manices the Domaine design. the premises, the Domaine des Ledileur, which has been

recently been converted into an office complex.

Calls to Mr Davies's house at the village of Founex, about 15 minutes' drive away, have proved similarly fruitless.

According to Mr Davies's assistant his wife could provide no information about Polly Peck. Mr Davies had told his wife not to expect him back soon and had given no further details of his movements, the

assistant said. Observer, Page 18; Suspen-sion in Zurich, Page 25; Vestel

## British Gas alters entire price structure in UK to end anomaly

By David Thomas, Resources Editor

BRITISH GAS, the national supplier, yesterday changed its gas prices for all industrial and commercial customers in an attempt to end an anomaly whereby some customers saved money by deliberately wasting

Eas.
The changes prompted an immediate appeal by Mr James McKinnon, the industry's regulator, for all business customers to monitor the impact on

their own gas bills.
British Gas estimates 90 per cent of industrial and commancial premises will have to pay more for their gas as a result of the changes, with the other 10 per cent paying less, although the changes are designed to be revenue neutral to British Gas. Under the existing regula-

tory regime, only premises using more than 25,000 therms a year are allowed to shop around for competitive sup-

Customers just below this cut-off point had an incentive to burn extra gas, because all their demand then became ell-gible for cheaper rates. The anomaly led to well-publicised cases of customers deliberately

wasting gas to boost their demand above 25,000 therms.
British Gas yesterday ended that anomaly by announcing that from October 1, all customers with continuous supply annul and the customers with continuous supply annul.

would pay 40.98p a therm for the first 25,000 therms. In the past, by contrast, cus-tomers on a single site with demand of 25,001-50,000 therms paid 38,28p a therm for all their Supply.

British Gas has also re-jissed many of its other prices in a bid to render the changes financially neutral to itself.

However, it acknowledges some customers will lose out, while others will benefit.

cal price increases for custom-ers will be 5 to 6 per cent, while reductions will be in the order of 8 to 4 per cent.

Larger customers, however, will tend to benefit from the whit tests to bettern from the changes, which explains why only 10 per cent of premises will pay less.

Mr McKinnon, director general of the Office of Gas Supply, warned that some custom-

ers might face price increase of more than 20 per cent.

He complained that he had
not been able to obtain from
British Ges enough information to judge the likely impact
of the changes.

Mr McKinnon said he would
take up complaints and added

ar McEmmon and he would take up complaints and added:
"I regret that in order to solve the problem affecting a relatively small number of gas users, it has become necessary to change every single industrial and commercial customars urice."

## BRITAIN IN



#### Union call to abandon Changes in Paris group

Leaders of the National Union of Mineworkers are to be urged to withdraw from the Paris-based International Miners' Organisation, the body at the heart of controversy over the handling of funds donated during the 1984-85 pit strike.

A special delegate conference of the NUM is to hear a motion from the NUM's Derby-

notion from the NUM's Derbyshire area calling for the union to withdraw from the IMO unless it undergoes a fun-damental reform and appoints accord soulor full-time offi-

Mr Arthur Scargill, the NUM president, is also IMO presi-dent. However, the post is part-time and the only senior full-time IMO official is Mr Alain Simon, the body's gen-eral secretary.

#### Producers fined for price-fixing

Subsidiaries of some of Britain's biggest concrete pro-ducers have been fined £81,000 for disobeying court orders prohibiting them from entering unlawful market sharing and

miswig market snaring and price fixing agreements.

Two managers employed by the companies were fined £1,200 and £1,000 each. It is the first time individuals have been taken to the Restrictive Practices Court by Sir Gordon Borrie; Director General of Fair Trading.

Trading.
Mr Justice Anthony Lincoln, found that four companies, Hartigan Ready Mixed Ltd, Pio-neer Concrete (UK), Ready Mixed Concrete (Thames Val-ley) Ltd and Smiths Concrete Ltd were guilty of of operating price fixing and market sharing agreements in parts of Oxfordshire in 1963 and 1984. This was contrary to court

namies and other concrete producers five years earlier.
Ready Mixed Concrete a subsidiary of RMC Group the worlds biggest concrete pro-ducer was fined £20,000; Smiths

Concrete, 49 per cent owned by ARC the aggregates subsidiary of Hanson was fined £25,000; Pioneer part of the large Australian group of the same name was fined 20,000 and Hartigan 50 per cent owned by Redland the large British building materials group was fined £16,000. The companies and the executives denied the charges.

## arts funding

In his first initiative since his appointment as Minister for the Arts in July Mr David Mellor announced changes in the organisation of the regional funding of the arts in England which strengthen central control and should re-assure were worried by the devolu-



Mellor: new initiative

tion proposals recommended by Mr Mellor's predecessor as Arts Minister, Mr Richard

In March Mr Luce amounced that funding of the arts in England would be devolved to Regional Arta Boards, with the previous pay-master, the Arts Council, only directly funding a dozen or so national companies.

Mr Mellor has refined this

Mr Mellor has refined this strategy. He has recommended that the size of the new Boards should be reduced from around twenty four directors to twelve; that the number of local authority appointments of directors should be reduced from a half to a third; that more senior executives more senior executives employed by the Boards should also set as directors; and that the chairman of the

#### **Depression** in truck market The UK market for truck man-

ufacturers remained depressed in August with statistics showing a 28.61 per cent drop in total truck registrations last month. Statistics issued by the Soci-

and Traders show, however, that the downturn is increasthat the downturn is increasingly being felt in the market for panel vans — a sign, according to Ford, that recession is hitting the many types of small trader who are the typical buyers of vans like the market-leading Transit.

Sales of panel vans in August fell by 23.9 per cent compared with the same month a year ago. to 17.277

month a year ago, to 17,277 from 22,701.

to close down

North, Newcastle upon Tyne; and Stella South, Gateshead.

Each station is coal fired, more than 30 years old and produces electricity at a loss.

Mr John Baker, National Power's chief executive, yesterday blamed over-capacity in

the industry, which he said was forecast to last until the und-1990s.

Interest rate

warning

health, welfare and education.
The report says Mrs
Thatcher's government has
not been radical enough in reducing public-sector activity.

ment boards in some English regions, advise the government

on its programmes to support industry in specially desig-

Inland Revenue

The Inland Revenue should be abolished as part of a long-term programme to turn Britain into a low-tax economy and encourage private enterprise, according to a reportision the Institute of Directors.

The institute, which is known for its commitment to free-market thinking, says the government should take a firm stand on phasing out state involvement and spending in a number of areas including health, welfare and education.

under attack

nated assisted areas.

### Power stations Belfast group fights grant cut National Power, the UK's largest electricity generating company, confirmed plans to close five power stations with the loss of 780 John. The stations are at Bold, near St Helens; Meaford, Staffordshire; Wakefield; Stella North, Newcastle upon Tyne:

The controversy over the Gov-ernment's withdrawal of fund-ing for the Belfast-based Irish language group Glor na Gael is being taken up in a European

form tomorrow.

A report on the disputed decision will be discussed in Sweden by the European region of the International Council on Social Welfare, and whether the community is the contraction. umbrella body for community and voluntary organisations.

Last month, Mr Peter
Brooke, the Northern Ireland Secretary, announced that secretary, announced that second a year in grant aid was being cut, under legislation that bars giving help to groups believed to be linked with paramilitary organisations.



Telto



#### TECHNOLOGY

### Unix stays level

GROWTH in expenditure on computers that use the Unix operating system — which is at the heart of European governments' "open systems" purchasing policy — has slowed over the past year, concindes a new market survey released last week.

The Unix Report, published by APT Data Services of London, suggests that growth in the Unix market is slower than previous recent years — particularly at sites that already own Unix systems. It concludes that much of the recent Unix much of the Unix much of Unix much of the Unix much of the Unix much of the Unix much of the recent Unix mar-

ket growth has been at "green-field" sites which do not already use a Unix machine. "While no one could suggest that Unix growth was flatten-ine cut, or even slowing, one of ing out, or even slowing, one of the most critical points indi-cated by this research is that the 270 user sites interviewed only plan to buy roughly the same amount of kit they

same amount of kit they bought last year," it states.

The report also suggests that much of the money previously spent on such terminals is now used to buy FCs.

The report concludes that expenditure in the Unix market is being apportioned differently than has traditionally been the case. "Although Unix sites this year will spend the sites this year will spend the same amount of money on processors as last year improvements in price performance will mean they can buy more processors, while much of their budget will be aimed at adding networking, attaching PCs and workstations, buying strategic software, continuing the spend on training and broadening the applications that are run on these machines."

One trend which does seem to be indisputable is a consoli-

to be indisputable is a consoli-dation among Unix hardware suppliers. "The number of suppliers. "The number of players in the Unix hardware market has been consolidating and maturing over the past year with some 71 manufacturers supplying the 270 companies surveyed," states the report. Sun, Altos, Hewlett-Packard, NCR, ICL, DEC and IRM now share more than 80 per cent of the market. 80 per cent of the market.

Geof Wheelwright

Published by APT Data Services, Fourth Floor, 12 Section Row, London W1. Price 2410.

chief scientific adviser to the British government takes up his post in the Cabinet Office. Professor William State his post in the Cabinet Office. Professor William Stewart, 54, succeeds Sir John Fairclough, the electrical engineer who has been Prime Minister Margaret Thatcher's closest confidant on technology and science for the past four years.

The official brief for the chief scientific adviser is to provide "advice to the Prime Minister and the Cabinet Office on scientific and technological matters, or scientific and tech-

matters, or scientific and tech-nological aspects of other issues," and also to "influence positively the economic contribution from government spending in science and tech-

spending in science and reca-nology."

Stewart is a botanist from academia whereas Sir John came to Whitehall from IBM.

None the less he shares the belief of both the Prime Minis-ter and Sir John that British science needs to be better man-aged more international in aged, more international in outlook and more concerned to

see research pay off.
When the Financial Times interviewed Sir John last April, he forecast that his successor would probably be recruited from the environmental existence. mental sciences.

Stewart can certainly be counted an environmentalist. He has made his mark on the scientific establishment in 1983 with a report on nitrogen in the environment for the Royal Society which identified oxides of nitrogen as a major factor, along with sulphur, in "acid rain"; and with his work for the standing Royal Commission on Environmental Pollution on such issues as the release of genetically engineered organisms into the environment. Stewart can certainly be

Stewart's academic career

Stewart's academic career can be summarised briefly as follows: a professorial chair at the age of 32, fellowship of the Royal Society at only 42, and chief executive of the Agricultural and Food Research Council at 52. In each role he has left an indelible mark.

He was raised on the island of Islay in Scotland and spent student holidays working in the distilleries. "I wasn't brought up to believe in the dependency culture," he says. At Nottingham University he read marine biology. These were formative years, for study under a palaeontologist fired his interest in Darwinian evolution and survival of the fit-

He brings a blunt Gaelic logic to beer on some fashion-able worries. "Life has been David Fishlock speaks to William Stewart, the UK government's chief scientific adviser designate

## Top man takes the 'green' view

present on earth for 3bn-4bn years and during that time there's been survival of the fit-test. It's not going to change in our lifetime."

test. It's not going to change in our lifetime."

Spells of research in Glassow, London and Wisconsin led him to evolve from conventional botanist into taxonomist, then physiologist and then blochemist. "Flexibility is the name of the game," he contends. Then he was appointed Boyd Baxter professor of biology at Dundee University, a post he filled for the next 20 years.

In Dundee he built up biologin Dundee he built up biological sciences nearly from scratch to a department of life sciences that ranks among Britain's best. He did it, he says, by hiring the best people. "Then all the rest falls in place."

place."
Stewart insists there was never a personal "corporate plan" designed to bring him to Whitehall and the post of chief scientific adviser. In 1987 he was headhunted by the Agricultural and Food Research Council following the desit of

cultural and Food Research Council following the death of John Jinks, its chief executive. The AFRC is one of the main sources of funds for academic research in the life sciences in Britain. But 1987 was a time of great change for the council. Sir John had already identified it as a sector of systemment. it as a sector of government-funded research badly in need of audit.

of audit.

Historically, the AFRC had done an admirable job of helping make Britain self-sufficient in food after the Second World War. But with growing food mountains in Europe, the traditional research typests of ditional research targets of improving domestic productiv-tiv could no longer be rated

high priority.

Late in 1987 Stewart inherited an AFRC in some disarray, with a severely reduced budget. He advocated a merger with the Natural Environment Passarch Council where he Research Council, where he served for six years, and sees no need for boundaries between the ballwicks of the

He brought his skills of man-



'Flexibility is the name of the gan

aging research to bear on the work of AFRC institutes, traditionally focused on local problems. He identified four urgently needed changes:

The AFRC must safeguard future supply of life science skills, so he persuaded government to double its funding of university life sciences. university life sciences.

it must reorganise into big-ger, multi-disciplinary teams appropriate to research chal-lenges of the 1990s, which

could be properly equipped with the instruments and com-puting power enjoyed by the physical sciences. He also introduced international col-leboration aboration.

laboration.

• HBecause technology was changing so fast, the AFRC must plunge deep into the fundamental molecular biology which underpins the bio-sciences. He fought for and won substantial new government funds for this research.

It must make a major bid to get the agricultural industries to fund near-to-market research by the AFRC under

research by the AFRC under contract.

He leaves a restructured AFRC with a new and expanded £150m-a-year R&D programme, longer term in its thinking, and spending proportionately more of its budget on science and less on overheads. "I don't care what the organisational structure is, so long as as little of the budget as possible goes into the bureaucracy and as much as possible into supporting creative science."

supporting creative science."
The AFRC has also set up an international branch headed by an economist, busy forging research links wift places as far afield as the US, the Soviet Illuin Large and Averaging as Union, Japan and Australia, as well as the EC. And major new

well as the EC. And major new projects are being organised in partnership with other research councils.

The merger with Nerc has not happened. But his proposal led to the Morris report, which in turn led to a slimmer, stronger Advisory Board for Research Councils and closer collaboration between all five research councils. In his new role be will become an assessor to the ABRC.

Stewart has chosen - on the advice of his predecessor - to remain ungraded, somewhere remain ungraded, somewhere between a deputy secretary and a permanent secretary in civil service grades. This will give him that extra degree of freedom which Sir John exer-cised on behalf of science for

cised on benair of science for the past four years. His foremost priority for the new job is "to provide impecca-ble scientific advice" in a world where science impinges upon almost every facet of society. As he understands the job, he brings special experience in five broad areas.

First, as an academic, he is keenly aware of the importance to Britain of a skilled, flexible and innovative work.

flexible and innovative work-

Second, as a "biologist with environmental interests", he is keenly aware of environmental issues and research in this sec-Third, he is eager to see

Third, he is eager to see research results used and is involved in the manifold problems of technology transfer.

Fourth, he believes that success in science today depends upon interacting with other specialisations in multi-disciplinary projects and programmes.

And finally, William Stewart is sure that success in science increasingly means interna-tional collaboration to spread

IT investment a one-way street By Alan Cane

CITIBANK spends \$1.5bn (2800m) a year on information technology – 20 per cent of its non-interest costs or the equiv-alent of \$19,000 a year for each

technology — 20 per cent of its non-interest costs or the equivalent of \$19,000 a year for each that member.

Comparable IT spend for the United Bank of Switzerland is about \$240m a year, a substantial 20 per cent of non-interest expenses, but only \$12,000 a year for every employee.

A large but smonymous British clearing bank is spending \$520m on IT each year, 15 per cent of non-interest costs and equal to \$4,600 for each staff member. French banks are spending similar amounts.

These figures, quoted by Kirt Mead of the US-based Index Group, give a talling measure of the kind of expenditures on computing hardware and software which large financial institutions believe is essential to stay ahead of the game. Mead predicts that IT costs will continue to rise in relation to other costs.

While the banks have been leaders in IT investment, other industry sectors are following suit, so Mead's figures underling conundrums in business today. While all large companies are spending lavishly on IT and intend to carry on spending at the same or an increased rate, very few seam to believe they get value for money out of their investment.

Why should this be? Received wisdom is that investment in IT is money well spent because it gives a company a cutting edge that is deried to its courseling to its

spent because it gives a com-pany a cutting edge that is denied to its competitors. Indeed, a recent survey among UK companies indicated that 30 per cent said their chief reaou per cent said their chief rea-son for investing in IT was to gain a competitive edge. A fur-ther 21 per cent said their business would not be possible without computers.

But the survey, carried out by Beat Hochstrasse and Catherine Griffiths of the Kohler Unit at Imperial College, found that only 24 per cent of the sample believed positively that that their IT spend showed a better primary. showed a better return on cap-ital than other investments. One in eight companies thought they were getting an inferior return on their money. Despite this, Hochstrasse and Griffiths noted;

trasse and Griffiths noted;
"Most companies within this sample are not considering pulling out of IT but are planning to increase their IT investment further over the next three years."

One answer is that companies spend money on IT almost as an act of faith because they have no way of measuring its effectiveness. Investing in IT is like driving down a one-way street, says the Kobler team:
"Once the direction has been set, there is no turning back. set, there is no turning back. The company has lost control of the direction and is forced to continue down the same road, propelled by the momen-tum of previous IT invest-

Hochstrasse and Griffiths argue that the key to success in regaining control of IT investment is the formulation of a corporate information of a corporate information strategy based on management goals which are derived from the company's sense of its business mission, feedback from its customers and information about its competitors.

With the information strategy in place an IT strategy in

egy in place, an IT strategy in realise the management's goals can be developed. It sounds obvious, but the Kohler Unit points out: "If implemen-Unit points out: "If implementation is not preceded by a comprehensive IT strategy, as has been found in 66 per cent of cases in our current study, a company will subsequently experience a strongly increased number of IT related difficulties. This suggests that the relation between strategic planning and business success is a major halimark distinguishing successful from less successful companies."

Another hallmark recognised by the Kobler Unit was a company's willingness to

nised by the Kobler Unit was a company's willingness to change, a "proactive corporate culture" which encourages risk taking and individual responsibility: "The role of management itself is thereby changed from a dictating role to a facilitating one and a new emphasis is placed on building multi-functional teams."

\*Regaining control of IT Invest-ments; a handbook for senior UK management. The Kobler Unit, Imperial College, 180 Queen's gate London SWI

0 9

"I'd never thought of cars as human, until your Saab came along."



The Saab family started as aircraft builders. Saab jet fighters grabbed world speed records. The first Saab cars were designed by ariation engin Their new thinking started the Saab tradition of free thought. It's still ver

They say that the best in people isn't what you expect but what you don't expect. The same goes for cars, too.

From the outside, the Saab gave little away. Inside, it was like stepping into a friend's living room. I almost felt guilty there were only two of us in the car.

When you let me take over, I was surprised by the car's intuition. It was as if we were conversing. She put me at ease. I felt confident. You said that Saab consistently tops safety ratings.

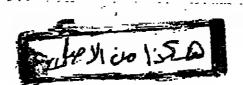
Ahead of makes that build their reputation on safety? I must check that out.

You murmured something about speeding and the law. But honestly, I didn't realize we were going so fast. Love makes you blind.

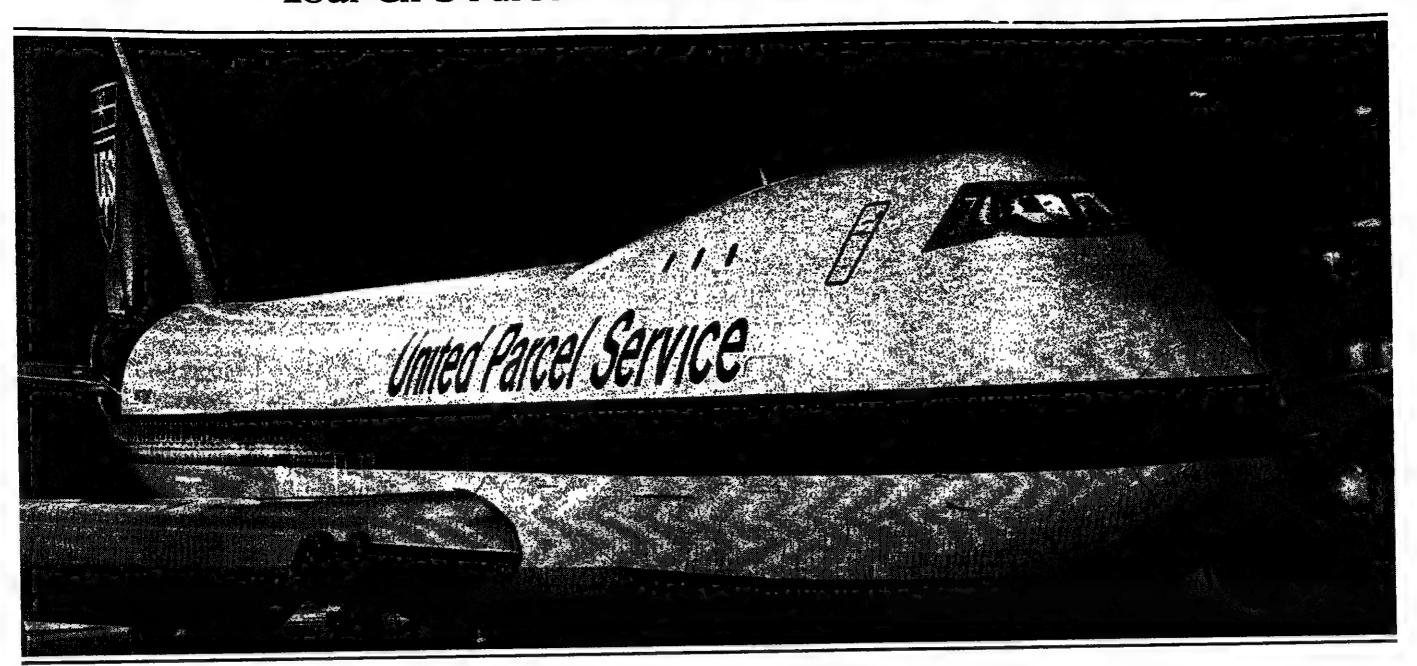
I was reluctant to hand her back.



Fax: +46-3: 49238;



## Your UPS Parcel Has Started To Clear Customs.



## Before It's Cleared For Take-Off.

By the time your express parcel or document takes off to its international destination, the process of customs clearance has already begun.

Before it arrives, our local customs experts will know when to expect it and what it contains. In fact, everything they need to know to minimize delays.

Thanks to our Electronic Customs Pre-Alert system.

The UPS network connects you with over 180 countries and territories worldwide.

With your package monitored throughout its journey by our electronic tracking system.

Electronic Customs Pre-Alert. Electronic tracking.

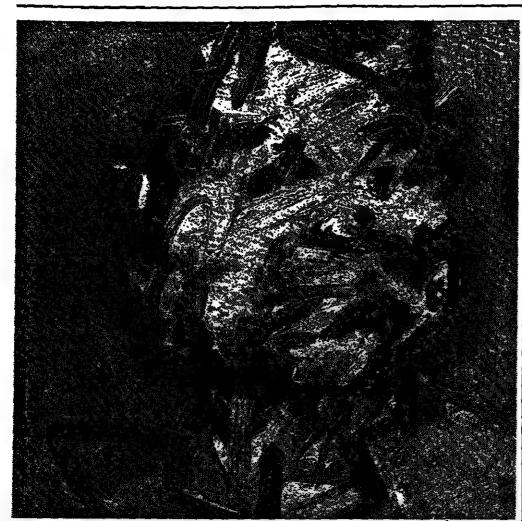
A commitment to prompt deliveries, at competitive rates.

Quite simply, at UPS, we aim to deliver a better package.



## **United Parcel Service**

As sure as taking it there yourself.



'Head of J.Y.M.' by Frank Auerbach, currently at the Marlhorough Gallery

## A very modern painter

t has long been the case, though one not always acknowledged, that much of the best of current painting being done any-where in the world is the work of Englishmen. Should the doubtful require example, the even chance is that the first name to be given would be that of Frank Auerbach. With two London shows concurrent, of recent paintings and drawings at Mariborough Fine Art (6 Albe-marie Street W1: until October 20) and the com-plete etchings and further studies at Maribor-ough Graphics (42 Dover Street W1), and Robert Hughes's much-needed critical monograph lately published (Thames & Hudson £25, 240pp), we may well see the reason for ourselves.

Augreach, in fact, is English only by adoption.

Auerbach, in fact, is English only by adoption, sent alone out of Germany in the spring of 1938 at the age of eight by parents whom he would never see again. But his art is nonetheless English, formed by English education and experience, steeped in the particular English version of the figurative tradition, passed on to him by the hand of David Bomberg, that goes back through Sickert directly to Degas and Ingres. At the its heart lies the constant, unremitting, objective study of the figure, and by extension the real and visible world, tested and confirmed by pragmatic experience. Such was the fundamental practice of the old English art school, ntal practice of the old English art school, until thrown over for wiser studies, more

up-to-date, some 25 years ago.
For his part, Auerbach has remained with the figure and the immediate urban landscape, painting from the same few models, year in year out, and the streets and building sites just beyond his studio door. He seldom leaves London and then only for a day or two. And for the great art of the world, the great, seamless tradi-tion with which he so closely identifies, for Rembrandt, Velasquez and the great Venetians
— why, Trafalgar Square is just down the road:
"I was never out of England — it's as if I saw it

Hughes rightly sets great store by Bomberg as the teacher of the young Auerbach, but rather more for his general moral example, his probity as an artist independent of any wordly success, than for his actual practice before the life model. But in making rather less of the practical infinence, he is perhaps less than fair, for while the younger Auerbach was most certainly closer to Bomberg in the spirit of earnest, concentrated application, the older he gets, the closer he comes to the freedom and bravura of the older Bomberg, in the sweet richness of the paint and the swift, full swing of brush or charcoal across the surface. It is, in the work of both men, the integrity of the mark with the image, at once entirely distinct and yet potently apt,

that takes the breath away.

Auerbach is now, in his late fifties, the great cainter he always was in potential. The portrait heads in particular are as remarkable as anything done by anyone at least since the war, at once monumental and immediate, wonderfully alive and yet fixed for ever. Each has its wor

Free hand

delivery

service in

TORINO

(Centro Città)

over your

S.L. MILANO Tel:(02) 688 7041

Fax: (02) 688 1667

FINANCIAL TIMES

Tix: 330467

ried, secret history, layer upon layer of pigment, and yet here is the definitive image established as it were in a moment, as assured in its right-ness as Zen calligraphy. As Hughes puts it: "Stress produces constants and these constants are the style... Newness rises from repetition. It is the unfamiliar found in the midst of the most familiar sight, like the head of someone you have been painting for twenty years." Anerbach simply remarks that real style is "how one behaves in a crisis... to have done something both unforeseen and true to a specific fact seems to me to be very exciting." seems to me to be very exciting."

seems to me to be very exching.

International recognition, however, has been long in coming. I remember, in 1986, when at 55 he was at last to represent Britain at the Venice Blennale, being asked by the editor of a North American art magazine just who American was. Hughes, art critic of Time and based in New York, knows all too well the deep, complacent parochialism of the American art world, and is particularly right to point the difficulties an artist of parochiansm of the American art world, and is quite right to point the difficulties an artist of Auerbach's dogged consistency and slow development must face in an age that mistakes mere novelty for that essential neuross.

Certainly it is true that from the late 1960s will be seen additional and the second and the second additional addi

until the end of the 1970s, good, okl-fashloned — in the true sense — conscientions address to the figure and the landscape were generally disre-garded by the international commissars of high modern art. But England was different, and it was never true that Anerbach was critically neglected at home. He may not have been given the international exposure he deserved, but he showed regularly - indeed the Aris Council gave him a retrospective in 1978 - and he was always respectfully received. For whatever the current orthodoxy, the independence of his posttion and his integrity as an artist were always

This is not nit-picking, for no myth, no matter how innocently promoted, serves an artist's true reputation. The distinction worth drawing is rather that in Europe, most especially, in Britain and in what was the Eastern Bloc, is preserved the old understanding that it is in the sature of art for the artist to grow, change and develop in his work over an entire career. It has nothing to do with novelty, instant fame and ready marketability. In Britain, until recently, artists hoped, but never really expected, to live by their work, and were sustained rather by the

respect of their peers. In this respect Auerbach was never anything but secure.

Hughes, in a book copiously and beautifully illustrated, does his subject handsome justice, both in his account of the life and his analysis of the work. His last shall be the last word: ... the clear purpose ... is to clarify Auerbach's struggle, not to 'express himself,' but to stabilise and define the terms of his relations to the real, resistant, experienced world: which is what art must do, today as yesterday, if it is to be more than chatter," Amen to that.

William Packer

## The Flute and Tosca

Grand Opera House, Bellast

Clare Venables, formerly artistic director of the Crucible Theatre at Sheffield, makes her debut in opera with Opera Northern Ireland's new production of The Magic Flute. This is not, of course, the easiest of "first operas" for even the most experienced theatre director to tackle; but if the success of Saturday's opening performance is anything to go by, Miss Venables has a native gift for the medium which deserves to be widely exploited.

medium which deserves to be widely exploited.
Certainly, she has produced one of the freshest, most thought-provoking, and most joyful Flutes I have ever encountered. A wave of inspiration seemed to flood out from the stage and sieze the whole theatre; when this particularly opera is being "got right," the performance becomes — as it did on this occasion — life-involving adventure on whose progress cast and audience are jointly engaged. I wanted audience are jointly engaged. I wanted it never to end, or else to begin all over again at the final curtain – by no means the inevitable *Flute* response.

The production is planned to speak to the production is plantified to speak to the Belfast audience in terms of the most uncluttered directness (the use of Jeremy Sams's brilliant ENO translation is no end of help). The decor (designer Tim Reed, lighting Ace McCarron) is no more a series of reversible panels, grey-concrete textured, covered on either side with graffiti (on closer inspection they are revealed to be Flute quotes), with a rough back wall on which three temple rough back wall on which three temple doors are cartoon-painted in red. The scene suggests an inner-city school playground, alternately transformed into urban wasteland — and yet it is never miserable to the eye, because the transformations are worked with such speed, and because the purpose of the setting is revealed with unarguable theatrical logic.

This is a Flute filled with children, seen sitting at school-desks during part-time animals and scene-changers thereafter, filling the auditorium at the finale. The

filling the auditorium at the finale. The dress (Tamino in cream suit, Pamina in white strapless dress, Sarastro and his followers in dull school-teacher garb) is uncluttered modern; the Ladies (constantly changing into new glamour-suits) and Queen are given the mod-style-consciousness of television

In description the production sounds

horribly unpromising. In action, the mercurial mixture of the 1990 everyday and the mysterious (Miss Venables's exploitation of Masonic symbolism shows enormous care and wit, and even, in a province full of Orange lodges, a certain daring) is exactly what this opera requires to strike directly into the hearts and minds of an un-specialist audience. To learn to grow up wisely, find spiritual meaning, in a hostile landscape is one of this opera's most important themes; very opera's most important themes; very rarely have the players of Tamino and Pamina entered into this maturing process as vividly as they do here. Perhaps the qualities of Flute nature-beauty and picturesqueness are lost along the way; in context, they are a small sacrifice.

a small sacrifice.

This is, in sum, a revelatory experience. To my mind, indeed, it achieves everything the much-hyped Peter Sellars staging at Glyndebourne was supposed to, with infinitely less self-aggrandisement and a far more humble approach to the text. And musically, the Belfast performance has a polish sorely lacking this summer in the Heil'gen Hallen of East Sussex. Kenneth Montgomery, company artistic director and himself a Glyndebourne alumnus, conducts the Ulster Orchestra. alumnus, conducts the Ulster Orchestra with a beautifully judged mixture of gravitas and fleet-footedness; some of the speeds are daringly fast or slow, but the production and the music continually illuminate each other.

The stars of the cast are John Mark Ainsley (the most lyrical and musical of the young British tenors) as Tamino, Rosemary Joshua (a vibrant, passionate yet disciplined Welsh soprano) as Pamina, and above all the Papageno, rueful English-Northern, of Geoffrey Dolton. He plays the audience with the sort of inspired zaniness, now near-camp, now broad burlesque, that must have had Schikaneder smiling down from the heavens; his rubber features and liquid baritons are used with a master's control. The spitfire Queen (Nicola Sharkey), the grave, sometimes trascible Sarastro (Stephen Richardson), and the excellent Ladies and Boys (six of the latter!) demand a mention; the actor Clive Rows (unforgettable in the Royal National Theatre Fuente Ovejuna) is the most believeable and significant Monostatos I have ever seen.
"Rush off to Belfast for this Flute"



Eleanor Bennett, Therese Feighan and Riona Bradley as the Three Ladies in "The Magic Flute"

may sound unlikely operatic advice; but it is earnestly meant. The companion-piece of the 1990 ONI season, Tosca (done in Italian with inadequate surtitles), is on a more ordinary level. Yet it too is freshly offered. The playing of the Illstore offered. The playing of the Ulster Orchestra under Christopher Bell (a musical, insufficiently tension eliciting conductor) is excellent. Bliss Hebert's production is clean-lined. And the casting of the principals is imaginative. The French Sylvie Valayre

may not be one of nature's Toscas, but she is attractively youthful, with an individual-timbred soprano rather hard

in edge but quick in attack; Daniel Doster, a tall, not very forceful American tenor, brings lovely unforced lyricism to Cavaradossi's more reflective passages. Last year's sensational Gounod Mephistopheles, Frédéric Vassar, shows us a Scarpia of such aristocratically suave, elegantly styled menace as to obliterate most recent incumbents in the role (including those baritones more naturally suited to the voice-writing)

Max Loppert

## The Waterboys

APOLLO THEATRE, OXFORD

Though entirely dominated by their singer/writer Mike Scott, The Waterboys are not quite a Irish one-man band. The personnel seems relatively stable, and the current four-piece outfit assembled for the new album Room to Room contains faces familiar from its fine predecessor of 1968, Fisherman's Blues.

attractive trappings of the earlier songs have gone there is, significantly, no fidule in the current concert line-up and with them, on Sunday night's showing at least, a good deal of the distinctive energy. and appeal.

The Oxford show, mid-way through a British tour that reaches London next weekend was only fitfully engaging, and too often perfectly anonymous. No doubt any sensible band dreads the prospect of becoming tied to a single marketable formula, and Irish rock currently offers a pair of trusty alternatives — to go west with U2 or to stay closer to home with a folk-based

But in electing to find a path of their own the Waterboys appear to have lost all sense of direction. Tha songs pulled out of the new collection had a noisome mawkishness that recalled, perhaps a bit unkindly, an Irish lad of another generation Gilbert O'Sullivan: Scott Gilbert O'Sullivan: Scott at the plane, flat cap 'n all,

pounding out besic riffs and shioning some cloying lyrics.

Those were the low points. The Waterboys were at their best when harking back — to the eponymous "Fisherman's Blues," its yet more distinct companion piece "Strange Boat" and an energetic reworking of Dylan's "Everything is Broken" (Scott's vocal style owes much to that source), and in a counie of flashes of unbounded Irish

But too often it headed out into the mainstream of contemporary rock, where their playing lacks any kind of instinctiveness or flair. The subject matter may still be bounded in Ireland, but the music has lost the rhythmic energy it distilled from that tradition, and with it a good deal of

Andrew Clements

#### Soldiers cancelled

The touring production of Rolf Hochhuth's Soldiers, which was to open in London on October 2, has had to be cancelled owing to the poor health of the actor in the leading role of Winston Churchill, David

## Musica Nova

**GLASGOW** 

Since 1971 the Scottish National Orchestra, Glasgow University and BBC Scotland have combined forces every two or three years to present a week of contemporary music. Because Musica Nova is orchestra-based, it is necessarily distinct from, say, Huddersfield's more extensive annual programme in which smallerthe sprinkling of orchestral concerts a positive luxury. Over the years a formula has been established: rather than scatter shot performances spread across the whole spectrum of new music, each festi-val fastens on to a group of four composers-in-residence, with an emphasis on their recent works.

The eighth Musica Nova. which ended on Saturday, brought together a thoroughly heterogeneous quartet – John Cage, Wolfgang Rihm, Nigel Osborne and James Macmillan. There were brand-new commissioned pieces from all of them - concertos from Macmillan and Osborne, an orchestral work (as well as a number of British premieres) from Rihm, while Cage furnished his Scotwhite Cage turnished his Scot-tish Circus, a characteristic gal-limaufray of improvised frag-ments for the traditional Scottish folk band the Whistlebinkies. The Cageian formula seems so familiar nowadays that he appears to offer an off-the-peg festival package, for which any organiser can

expect him to dispense his undeniable charm and beatific smile, and come up with a more or less riotous collage to suit the occasion. One gains no more insights into the com-poser in the process, or any longer perspective on his achievement; perhaps that's the point.

Nor, alas, did the Osborne gest any new lights on his recent development. Osborne is marvellous value in these circumstances, a formidably articulate debater and tirelessly open-minded enthusiast, yet his own music appears to have marked time since The Electri-fication of the Soviet Union in 1967. The new Violin Concerto, played authoritatively by Ernst Kovacic with the Scottish Chamber Orchestra and Paul Daniel, was fluent, rather densely scored (especially in the close-up acoustic of the Henry Wood Hall) and ultimately lacked the memorability of his 1977 Cello Concerto which had been included in the previous evening's concert. Where the cello work has a finely moulded shape, and a sequence of crisply focused musical images, the Violin Concerto is almost stream-ofconsciousness manipulation, as if Osborne was applying his methods by rote. He has too much talent and too much intelligence to be satisfied with that kind of routine for long.

With Macmillan and Ribm however, one made substantial progress, though not always of a predictable kind. Few Euro-pean composers needed systematic exposure in Britain more than the 38-year-old Rihm: his output is vast, and bewilderingly varied, and what seem like momentous sea changes in style from one piece to the next have yet to be related to the personality of the composer. An absorbing two-hour lecture in Glasgow filled in some of the jigsaw, revealing not only a thoroughly engaging personality, but an instinctively musical one. He adheres to no school or system, but immerses in the physical properties of each composition in an almost tactile way, so that his description of them as "sound sculptures" eems not at all misplaced.

From the works played at Musica Nova and the tapes which illustrated his talk, the most fruitful point of contact with Rihm's recent music might be through the final works of Luigi Nono. There is works of Lings roots, there is a similar fastidious concern for the smallest scraps of sound, for working on the blurred edge between music and noise; as in late Nono too bell sounds glint through his textures. The commissioned work, ins offene... is dominated by metallic resonances. Antique cymbals, trumpets and solo violins dispersed around the hall set up a dialogue with the main instrumental group on the stage; the webs of sound are always fragile, the pace measured, climaxes and accelerandos short-lived. The music

fades away as enigmatically as

it was brought in: the territory

it was brought in: the terrnory
has been only partially
explored and another, quite different, journey through it
would be a real possibility.

Macmillan came to this feetval as the brightest hope of
Scottish music, with the success of his Edinburgh and Proms performances just behind him. The immensely fessions of Isobel Goudie, was repeated here (just as finely played by the BBC Scottish Symphony and Jerry Maksymink) and received with equally massive enthusiasm, but the small doubts that a second hearing raised were inten-sified by the subsequent Mac-milian orchestral pieces and particularly by the new piano concerto, The Berserking.

Isobel Goudie treads a fine line in its fusion of models; the

balance is just about main-tained and the pacing assured enough to carry the listener through the doubtful moments. In Tryst, a substantial cham-ber-orchestra piece from 1989, the pacing fails; it is too long, makes its expressive point (the intricate presentation of a folkstyle melody) with too much self-conscious rhetoric, and allows Stravinskian muscularity to overwhelm any hint of deeper individuality.

The Berserking comes with a lucid programme note in which Macmillan invokes the Scottish nationalist cause and football as the starting points for a study in the dynamics of "mass human energy." The piece was written for Peter Donohoe and realised by him with great panache; the SNO was conducted, most effectively, by Matthias Bamert. Here the reg-ulation propulsiveness is grafted onto keyboard figuration from middle-period Bartok, with elements of Messiaen and Varese added for good and Varese added for good measure. There is no attempt at a synthesis; each voice is unsullied, and the resultant stylistic jolts are enormous. Which is not to deny Macmillan's substantial talent, simply to suggest that in attempting to create an accessible lane. to create an accessible language (for the most convincing political and religious motives) he has gone too often for the easiest option. His earlier music does not take such facile ways out, and one hopes he will regain that better balance in time for the opera he is writing for the Traverse Theatre.

**Andrew Clements** 

Jazz musical at Stratford East

A jazz musical by Clarke Peters, Five Guys named Moe (or Dudes in the Night), featur-ing the music of Louis Jordan and choreographed by Charles Augins, will open at the Theatre Royal, Stratford East from October 12 to November 24. The cast, which includes Clarke Peters, Kenny Andrews, Paul J. Modern Paul J. Medford and Peter Newton, is directed by Paulette Randall with vocal arrangements by Chapman Roberts.

### **ARTS GUIDE**

OPERA AND BALLET

Royal Opera, Covent Garden.
The opening production of the new season is *Transatot*, in a production by Andrei Serben.
Ghena Dinttrova, Vladinat, Popov, Lucia Mazzaria and Robott Livett take the leading release Popov, Lucis Mazzaris and Rob-ert Lloyd take the leading roles, and Colin Davis is the masterly

conductor.

English National Opera, Coliseum. Highlight of the whole London operatic week is the city's first showing of Greek, an opera by the young English composer Mark-Anthony Turnage based on the Steven Berkoff play which caused a sensation on its previous appearances (in Monich and Edinburgh). The cast of four — Heien Charnock, Fiona Kimm, Quentin Hayes, Richard Smart— is conducted by Etchard Smart—is conducted by Fitchard Bernas. More performances of the cogent, boldly Expressionist new production of Wozzeck, conducted by Mark Eider, staged by David Pountney, with Donald Maxwell in the title role; and of Jonathan Miller's 1998-style Tosca production—a good kies not very successfully realised. If you work in the business centre of Torino, gain the edge competitors. Have your FT personally delivered to your office at no extra charge. Por full details please contact Dance. The only dance in London is the Ballets Africains at Sadler's Wells. INTERCONTINENTAL

Theatre de la Ville, Jan Fabre is followed by Merce Cunningham and the Merce Cunningham Dance Company with Inventions, Fabrications and Field and Figures in which he continues, now seed 70, with his revolutionary conceptions of contemporary ballet (42/42277).

Chatelet. The new production of the dramatic legend La Dam-nation de Faust is performed by the Philharmonia Orchestrawith John Eliot Gardiner as conductor and by the Théatre du Chatelet choir conducted by Donald Palumbo (40282840).

Théatre Boyal de la Mounais.
The Monnaie opera in Verdi's
Simon Boccanegro. The Monnaie
Synapheny conducted by Sylvain
Cambreling. Jose Van Dam
(bass) as Simon, Nancy Gustafson (soprano) as Amelia and
David Pittsinger as Fiesco (Tue).
Part of the Festival of Flanders.

Salle Saint Michel. The Max Zyg-munt Orchestra in Mozart's Don Giovanni conducted by Philippe Mercler, staged by Ronny Lau-wers with Jo Baert, Rosa Bran-dao, France Emond, Anna Marsi-lio and Werner van Mechelen (Thur) (010-47 48 76).

Amsterdam

The Netherlands Opera with his acclaimed new production of Richard Wagner's *Parsiful* directed by Klaus-Michael Grüber, Netherlands Philharmonic is conducted by Harmur Haenchen, with Barry McCaulsy in the title role. Muziektheater.

The Hages

Nederlands Danstheater with three Kyllan ballets: Overgroum Path, Svadebka and Sarabands. AT&T Danstheater (360 4930),

Perms

Verdi Festival (until Sept 30). Gustav Kuhn conducting Verdi's Abara, with a cast of young prize-winning singers and the Bologna Comunale orchestra Bologus Comunale orchestra (at Teatro Magnani in nearby Fidensa). Daniel Oren conducts Il trovatore at the Teatro Regio in Parma, in an edition revised by David Lawton, with an excellent esst led by Raina Kabaivanska, Nicola Martinucci, Leo Nucci and Bruna Baglioni (219887).

Opera. Die Zauberflöte is a well done repertoire performance. Die lustigen Weiber von Windsor features Lucy Pescock, Gudrun Sieber, Patricia Johnson, Alfred Kulm and Barry McDeniel. Cost fan hatte bes a strong cast led fun inte has a strong cast led by Angela Denning, Mariana Cioromila, Carol Malone, Alejan-dro Ramirez and Andreas Schmidt. Der fliegende Hollander with Robert Hale, Janis Martin and Gerd Brenneis.

Opera. The revived Elektra in August Everding's production stars Eva Randova, Gwyneth Jones, Linds Piech, Harald Stamm and Ticho Parly, conducted by Gerd Albrecht. Tosca has Natalia Troitskaya outstanding in the title role. Fidelia, conducted by Nikolaus Harnomourt has fine interpretations by Josef Protschka, Ana Pusar, Matti Salminen and Hartmut Welker.

Frankfurt Opera. William Forsythe's ballet Limb's Theorem is again offered this week. Monsieur Beaufolcis and his company play three one act pieces by Jacques Offenbach. *Macheth*, the second successful opera production by Cesare Lievi, has Rosalind Plowright lient in the title role.

Opera. The successful new *Bigoletto* production by Graham Vick, is wonderfully sung by Jean-Philippe Lafon in the title role, Mariella Devia, Dennis O'Neill and Stephen Dupont. *Coppelia*, choreographed by Youris Vamos.

Opera. Die verkaufte Braut is a Giam Carlo dei Monaco production. Worther features Yasuko Rozaki, Marilyn Schmiege, Marcela Holzapiel, Neil Wilson and Tero Hannula. Lohengrin is sung by Ruth Gross, Eva Bandova, Toni Kraesner and Anthony Rafell. Figures Bockzeit rounds off the week.

Munich

Musich
Opera. Nicolaus Leinhoff's Ring
cycle returns with Die Wallelire
and Siegfried, both conducted
by Wolfgang Sawallisch with
star singers Rene Rollo, Hildegard Behrens, Julie Kauftnaun,
Robert Hale, Sabine Hass, Marfana Lipovsek and Martit Sahninen. Francesco Cilea's rarely
played Adriana Lecoureus is
perfectly cast with Margaret
Price, Bruna Bagdoni, Neil Shicoff and Claes Ahnsjoe.

tures David Griffith, Teresa Ringholz, John la Pierra, Janice Hall, Jane Bunnell, Darle Brooks

and Reinhard Dorn. Maderna and Reinhard Dorn. Madesse
Butterfy convinces thanks to
Hiroko Nishida, brilliant in the
title role. Siegfried, part of the
new Ring cycle in a co-production with the Düsseldorf Opera,
produced by Kurt Horres, brings
Wagner specialists William
Johns (Siegfried), Guenter von
Kannen (Alberich), Tone Kruse
(Erda) and Deborah Polaski
(Brünnhilde) together.

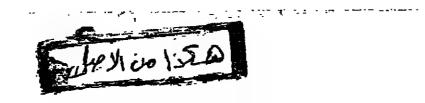
September 21-27

How York

Mistropolitan Opera. The season opens with Franco Zeffirelli's production of La Boheme with Mirella Freni, Placido Domingo and Brian Snexnayder, conducted by Christian Badea along with Zeffirelli's productions of Dan Giovanni and Rigoletto conducted by Guido Ajmone-Marsan with Jerry Hadley in Otto Schenk's production (362 8000). New York City Opera. The week features Street Schem in Lac. O'Brien's production conducted by Chris Nance with Margaret Cusack and Kevin Anderson. by Chris Nance with Margaret Cussck and Kevin Anderson. Loius Salemno conducts Frank Corsaro's production of Tosca with Edith Davis as Floria Tosca, Stefano Algieri as Mario Cavara-dossi and Harry Dworchak as Baron Scarpia. New York State Theatre, Liucoln Center (870

Chimgo

Lyric Opera. The company's 36th season opens with Gluck's Alceste with Jessye Norman in the title role, Chris Merritt as Admete and John Brandstetter as the high priest in Robert Wilson's production conducted by Gary Bertint. Civic Opera House (232 2244).



A pond in South Yorkshire, as seen from the 07.57 York to Kings Cross.



We'll bring eggs, bacon, sausage and tomato to the table and duck to the window. Our steward will serve you a great British breakfast, while England slips by your window; for a business trip doesn't it smack a little of pleasure?

FIRST CLASS
PULLMAN

INTERCITY

### **FINANCIAL TIMES**

NUMBER ONE SOUTHWARK BRIDGE, LONDON SET 9HL Telephone: 071-873 3000 Telex: 922186 Fax: 071-407 5700

Tuesday September 25 1990

## How not to create jobs

IN HER speech to the College of Europe in Bruges, of Sep-tember 1988, Mrs Margaret Thatcher argued that "we have not successfully rolled back the frontiers of the state in Britain, only to see them relin-posed at a European level." Her critics responded that her identification of Brussels with unbridled dirigisme was nonsense. In the directives being introduced under the European Community's Social Charter of workers' rights, however, the Commission seems to be going out of its way to prove her

The first problem with these proposals is that they will prove counter-productive. The second is that they are not needed. The third is that the Commission is claiming powers that it may not have.
The fundamental difficulty

in the EC's labour markets is that they do not work very well. Structural unemployment has characterised EC countries since the first oil shock, and now exists, alongside shortages of skilled labour, in too many

regions of Europe.

Into this arena has stepped the European Commission. Up to 20 proposals for regulation of labour in member states are expected this year and next. The first five already suggest that the Social Charter will prove to be far from the mirage

that some pretended.

The Commission first addresses what it quality calls "atypical work". Despite some efforts to adjust its ideas to the current decade, the Commission's notion of how work ought to be organised remains rooted in the past. It proposes that part-time and temporary workers must be entitled to the same working conditions as the permanent, full-timers it regards as typical,

#### Social dumping

The Commission believes these peripheral workers must be protected from a sort of internal "social dumping," in which employers transfer work to the cheapest employee available. The object of helping the most vulnerable players in the labour market into well-rewarded jobs is laudable. But any such requirement must increase the costs of employing part time workers. The Commission's project could throw

many of the "atypical" workers it wants to protect back into unemployment, where they will join the 12.5m already Such regulation would be

harmful even now. But they could be still more dangerous under economic and monetary union when the principal mechanism of adjustment is bound to be changes in relative real wages. Such changes do not occur by magic. They can only occur if some workers are able to undercut others.

#### Labour costs

In justifying the directives, the Commission persists in claiming that variations in labour costs distort competifreedom to offer work at a lower cont is manufaction of competition, not a distortion. The absence of such regulations in individual members states may favour some work-ers and some forms of work over others, but they cannot advantage a whole economy. It is perfectly possible, therefore, for economies to trade, to their mutual advantage, even if their labour market regulations are quite different. However unconvincing, the

rgument that variations to argument that variations in labour costs distort competition is shrewd. The Commission is acting at the extreme of its powers both in the substance of the directives and in the way they have been justified under the Treaty of Rome. The part-time, temporary work, and working time directives would force big changes in employment and social secuin employment and social security law in many countries. But several are being intro-duced as concerned with economic competition or health

and safety, and so would require only majority voting. The Commission should think again. The radical ele-ment in the entire internal market programme is the mutual recognition of regula-tory regimes. There is no rea-son why that principle should son why that principle should not apply to the labour market, with different approaches operating side by side. It may turn out that the labour markets that perform best are those with the regulations the Commission desires. But that lesson can be learned; it should not be imposed from above.

## Spain heading for crisis

POLITICALLY, Spain's entry into the exchange rate mechanism of the European Monetary System, just over 14 months a Style Spain's sproved a great spaces a Style Spain's sproved a great spaces. success. But Spain's serious economic weaknesses – high inflation, high unemployment, and now a gaping current account deficit - have not disappeared. The economic gains from membership are not yet annarent, and may be won only

Spain joined the ERM with its inflation rate at 7.1 per cent.
A full year later that rate had fallen less than one percentage point. The economy has continued to expand rapidly, despite short-term interest rates over 15 per cent. Nominal wage growth has accelerated this year, averaging over 8 per cent. The strong exchange rate has squeezed the competitiveness of Spanish exporters, with the real effective exchange rate appreciating by 13 per cent since June 1989. In consequence, the current account deficit has risen to around 3% per cent of GDP this year.

All domestic indicators point to a seriously over-heating economy, with little sign of a fall in inflationary pressures. High short-term interest rates are the only weapon currently employed in an hitherto losing fight against the surge in demand. But the Bank of Spain has been under pressure from its European counterparts to reduce these rates to preserve the stability of the ERM and ease pressures on their respec-tive monetary policies.

The peseta moved quickly to the top of its allowed band last year and has remained thereabouts ever since. The popularity of peseta assets results from an interest rate differen-tial of 6.7 percentage points over German short-term rates.
Up to now, short-term investors have been faced with what they see as an attractive one-way bet.

#### Exchange rate target

Such an interest rate differential is only sustainable in the long-term if a depreciation of the currency is expected. But the probability of this event has not been high enough to outweigh the inter-

In the absence of an exchange rate target, the cur-

rency would appreciate until that probability became over-whelming. But this process cannot occur if, as in Spain, the monetary authority is maintaining a fixed exchange rate. Monetary policy must then be influenced by the need to maintain the exchange rate target. Interest rates may be driven down by upward presresult being excessive domestic monetary growth. Ultimately, monetary growth. Ultimately, the expansionary domestic conditions will undermine the credibility of the fixed exchange rate. Credibility must then be secured through a willingness to maintain high interest rates in support of the fixed exchange rate however. fixed exchange rate, however painful the consequences.

#### Cost of adjustment

To reduce the costs of adjust-ment to the fixed exchange rate, the Bank of Spain has tried to control the capital inflow through the use of exchange controls, while employing direct controls on bank lending to curb nominal demand. All exchange controls are, however, due to be lifted by 1993. Moreover, the rapid growth of the commercial paper market over the past year shows that direct controls on bank lending are ineffective as a secondary arm of mone-

tary policy.
Nominal demand growth must be brought under control. The Spanish authorities should tighten fiscal policy, through tax increases and better tax collection, to cut disposable incomes. This would relieve the pressure on monetary policy as the sole tool for managing domestic demand. The budget deficit must be eliminated in the forthcoming budget, and m the forthcoming order, and nominal wage growth reduced if convergence of inflation to German levels is to be achieved at reasonable cost.

Monetary policy cannot hit conflicting external and domestic targets simultaneously.

Effective complementary poli-cies to constrain domestic demand and the growth of nominal wages are required. Otherwise, with policy makers determined to avoid devaluation, the inevitable conse-quence of rising unit labour costs and dwindling competitiveness will be a severe reces-

ld stock market hands have a firm investment rule:
"Never buy shares in a company which has a chairman involved in a football chib." But neither investor suspicion nor the shaky state of soccer's finances have dissuaded European husinessmen

suaded European businessmen from involvement in the sport. Robert Maxwell's offer to help refinance Tottenham Hot-spur is one example of busispur is one example or busi-ness's willingness to come to football's rescue, despite the continuing problems of hooli-ganism, expensive safety com-mitments and rising wage bills. Every time an English League club has veered towards bankruptcy in recent years, a last-minute saviour has been found, the most recent example being Mr Spencer Trethewy, the 19-year-old property devel-oper who rescued Aldershot. For those businessmen who do get involved, status is prob-

ably a much stronger motive than financial reward. Self-made entrepreneurs find that ownership of a club gives them a prominent position within the local community

within the local community and is also a means of displaying their success to people who have no interest in business.

One of the few businessmen to employ football as part of a wider strategy is the Italian Mr Silvio Berlusconi who has used ownership of AC Milan to help his television stations in the ratings bettle against the state ratings battle against the state broadcasting authorities. Few football clubs in Europe

can survive without the back-ing of a wealthy patron; many need the support of local authorities as well. The eco-nomics of football are extremely discouraging.

The main asset of a club, its or main asset of a crib, no ground, may be worth a large sum, but only if an alternate use can be found. Selling a rundown inner-city ground for re-development and moving to an out-of-town die has been an

in Britain, supporters have been highly resistant to ground changes and local councils have been unwilling to grant

attractive decision for some Continental clubs. But it is a

trick that can only be used

For businessmen. status is probably a stronger motive than financial reward

planning permission for re-development. Clubs are left with an asset which is expensive to maintain and which brings in

maintain and which brings in revenue on only 30 days a year. The position on costs is little better. To attract large crowds, clubs need successful teams. To do that, they need to spend large sums on players. The result has been a wages soiral. The best players command sixand savenfloure salaries. and seven-figure salaries. Small clubs find they cannot compete and thus have little cess or draw larger crowds. The Holy Grall in terms of

financial security is television, which is prepared to pay highly for the young male viewers football can attract. But armchair spectators want to see the largest clubs and the result has been a concentration of power as the top clubs, fuelled by television income, have poached the leading players from all over Europe for

Soccer is asking for more funds. write Philip Coggan, William Dawkins and John Wyles

# Business pitches in



ever-higher transfer fees Some chib owners, with one envious eye on the lucrative into between American Football and television, have mooted a European "Super League" with élite clubs selling the rights to show games to eager terrestrial and satellite stations. Such plans have yet to bear fruit, and the spread of hooliganism may yet put a stop to the ambitions.

to the ambitions.

The most striking example of an elite system of clubs is to be found in Italy. As the owner of Juventus, Mr Gianni Agnelli devotes considerable time and emotional commitment to promoting the fortunes of the club—as he does to those of the family group, Fiat. Polls suggest that Juventus is the most widely-supported team in Italy, although the crowds it attracts in Turin do not match those of its two rivals in Milan.

its two rivals in Milan.

Among Mr Agnelli's emulators, Mr Berlusconi has probably done the most to change the economics and marketing of Italian soccar. AC Milan's success in recent years has owed much to the \$21m pur-chase in 1987 of the Dutch stars Marco Van Besten and Ruud Gulitt. A winning team has provided the vehicle for a flourishing club magazine and

marketing organisation.

Mr Berlusconi's successes have in turn forced an Agnelli riposte. Last season's Juventus victories in both the UEFA and the Italian Cups were insufficient to satisfy the Flat boss. He transferred the ownership of Juventus from the family holding company, IFI, to the Flat group. The club then splashed a breathtaking \$48m on the purchase of new players, including the Italian World

Cup star Roberto Baggio and the Brazilian Julio Cesar. it is clear that only the rich can provide the money to maintain success at the top Italian clubs. Stars like Diego Maradona of Napoli command \$2m or more a season and any halian entrepreneur feels him-self judged by the measure of how many hig names he can shower on his club. Mr Cor-rado Feriaino, the construction boss who controls Napoli, made himself a local here with the purchase of Maradona and a local god after the two league championships that the club has won since the Argenti-

The recent involvement of prominent French business-men in football clubs has yet to show the success of the Indian example. The continuing rise example. The communing rise in players' salaries and transfer free plus a stagnation in match attendences has forced most of the big clubs into loss. most of the big chibs into loss.

Marseille received FFr14m
(£1.4m) from its city authorities last year, Bordeaux got
FFr6.3m, while Nantes was
propped up to the tune of
FFri0m, according to a study
carried out for the Association of French City Halls. The French sports daily, l'Equipe, reckons the average player at of more than FFr152,000, rising to nearly FFr207,000 at Bor-deaux, the country's top-pay-

ing club. To make matters worse, tax evasion and other financial irregulation are feared to be rife. The entire first division is being investigated by the Finance Ministry for possible breaches of tax regulations. This is in response to a study of financial irregularities pree-

ented to Mr Michel Charasse, the Budget Minister, last spring by Mr Bernard Taple, the flamboyant businessman who is president of the highly successful Olympique de Mar-seille (OM) in his spare time. Girondins de Bordeaux are the first to fall under the spotthe first to fall under the spot-light, with the opening of a tax inquiry last month into the affairs of Mr Claude Bez, presi-dent of the debt-ridden club. The Girondins need at least FFr150m in new capital, a requirement which has caused rows in Bordeaux town hall. If Mr Tapie's campaign is

now shaking up rival clubs, France's pioneer footballing businessman was Mr Jean-Luc Lagardère, chairman of Matra, the diversified defence and electronics group. Mr Lagar-dère hung up his boots last year, after investing more than FFT300m of the group's cash in Matra Racing, formerly known as Racing Club de Paris. Matra Racing turned in a consistently poor performance, did very lit-tile for its sponsor's public image and had an endless appetite for cash.

Mr Tapie, who recently acquired the sports goods comacquired the sports goods com-pany Adidas, claims to have contributed not one franc to the club's coffers, though he does guarantee debts up to FFr90m. However, OM has done well under Mr Tapie's command. Last year, it won both the French League and the Cun. the Cup. Britain has not yet seen a

successful combination of flamboyant businessman and victorious club owner. Liverpool, the dominant club side, has long-standing links with the Moores family, owners of the Littlewoods pools and stores business. But the family has kept well in the background behind a succession of hard-bitten managers.

Tottenham Hotspur, the club which first took the initiative of floating on the stock market, bas had little success in its strategy of diversifying into other leisure interests. The oftstated criticism of the fans has been that the club is more interested in making money than in football. Ironically, at the very time that Tottenham's

Few clubs in Europe can survive without the backing of a wealthy patron

finances have been shown to be in disarray, the team is playing better than it has in

Mr Maxwell's interest in Tottenham is only the latest of the publisher's forey into foot-bail. Earlier this year, he acquired two of the largest clubs in Israel. Mr Maxwell, who clashes frequently with the sport's authorities, is probably the closest Britain has to a football entrepreneur on the Tapie and Beriusconi model. has been involved - Oxford and Derby - have had modest success, he has yet to own one

of the big name clubs.

None the less, with British clubs now back in the European competitions, and with satellite television hidding for broadcasting rights, it would be a surprise if a footballing entrepreneur in the European mould does not emerge in the UK.

#### Sterling and ERM

## Thatcher-Pöhl entry block

**By Samuel Brittan** 

recent gyrations of the British economy shows the prime minister and chan-cellor sitting up in bed like a long-married couple, staring at a newspaper headline saying "Pound Slumps". The John Major figure remarks: "If you just stop talking Margaret, it might go up."

The latest phase of sterling

weakness followed a remark attributed to Mrs Thatcher in Berne: that the British infla-tion rate would have to fall several points before the pound could join the ERM. Happy

times are here again.

But Thatcher is not alone.

She has frequently been aided and abetted in her efforts to keep the UK out of the ERM by Karl Otto Pöhl, the president of the Bundeshank. Of course, his remarks last week have been interpreted as referring only to European Monetary Union. This is 100 per cent convincing in relation to the Bundasbank report, but less so in relation to Mr Pohl's informal remarks at his press conference. Mr Pöhl has never really

taken on board the modern view of an exchange rate view of an exchange rate anchor as a help in reducing inflation rates. The ERM was set up despite rather than because of the Bundesbank. The Bundesbank has just not been able to stop EMS countries such as France and fialy from using the D-Mark link to get domestic inflation down.

The latest and potentially

get domestic inflation down.

The latest and potentially most dangerous of this unreconstructed thinking is the common assent of both the US administration and the Bundesbank to the depreciation of the dollar, a policy which spells nothing but trouble for both the US and the world economy. None of this is to economy. None of this is to decry the achievements of the Bundesbank in securing low inflation in Germany. Nearer home, Mr Major will soon have to decide whether to cheek whether he is executed in

soon have to decide whether to show whether he is master in his own house. The domestic reason that has held some Treasury advisers back is that the August Retail Prices Index, which came as a nasty shock to them, showed a widening of the inflation gap compared with the EC. The gap between ERM countries and the UK underlying rate, mas from 3.2 underlying rate, rose from 3.2 to 3.7 per cent.

The widening of the gap is a

short-term -phenomenon, reflecting factors such as the faster push-through of oil prices in the UK. All forecasts show a large fall in the headmost likely to falsify them is a drop in sterling, from waning

UK TRADE YOLUME % alternation (exc. oil and errette Esports +24

market belief in ERM entry. The Treasury's ideal sce-nario of ERM entry around the time of the autumn statement in mid-November has the advantage of coming after two-further inflation figures, by which time the recorded head-line rate should have peaked. It has the overwhelming disadvantage of coming when a shooting war in the Middle East is most likely and when middle-of-the road opinion will support the prime minister in resurrecting her veto.

It is said that Middle Essan turnoil is hed for fixed rate systems. In fact Bretton Woods

collapsed before the first oil crisis of 1973 and the EMS itself started at the time of the second framan oil explosion. It is just as easy to argue that when sterling may be buffeted in either direction, an anchor is more needed than ever before. The most worrying aspect is the domestic political risk that is being taken in not entering the ERM when there is a favourable political opportunity which will not recur in

tunny which will not recur in this parliament.

How little starling is now a petro currency can be seen by the profile of its rise this year. Nearly all of it took place before the invasion of Kuwait, on the eye of which it stood at 10M295, around which it has DM2.95, around which it has finessated ever alone. It full to a low point of DM2.91 at the end of last week following the end of last week following the remarks of both Mr Pöhl and Mrs Thatcher. It recovered somewhat yesterday after John Major's restatement of the British position, and after the silly one-month trade gap proved less than market forecasts.

The intelligent temage student will conventrate on the

The intelligent teenage student will concentrate on the slow underlying trend towards improvement shown in the table. The year 1990 has been the first since 1995 in which export volume, excluding oil and erratics, has been rising faster then imports — 7.6 percent compared with 3.0 percent at the annual rate. On four morphly comparisons the four monthly comparisons the improvement accelerated are too erratic to draw much

	UK Belanc	e of Paymenti	<b>.</b>
	Current account (Ebn)	Balance as %-of GDP	Balancing Item (Con)
967	-4.2	-1.0	+3.7
988	-15.2	-8.2	+8.1
989	-19.1	-8.7	+15.1
990°	-18.6	-8.5	+11.5**

#### How to be fire-proof

As even John Major, the admitting that the UK is entering a recession, the omens are that much of its weight will

fall on middle managers. Heads of big British indus-trial companies have long been lamenting that one of their weaknesses is that they are overstaffed in the middle ranks. One manufacturing chief says that whenever he sees news reports of the sacking of a few dozens in the City, he is reminded of the hundreds

The main reason why sur-plus middle-rankers have been kept on so far is apparently that, having come to know them fairly closely, their chiefs them out. Now gloomy eco-nomic prospects are likely to harden the corporate heart. Managers in the firing area might do well to take note of the advice given a couple of recessions back by Tom Carew,

He said that, in his copious experience, the executive vic-tims of redundancy exercises are not the people who have produced the worst results, but the ones whom their bosses find easiest to sack. "So the best defence is to cultivate the impression that

a pioneer of redundancy coun-

cultivate the impression that if your name ever appears on a redundancy list, your head of department will be in for trouble. For instance, you will embarrass him in his golf club, your spouse will berate his in the local supermarket, and your kids will arrange for his kids to be bullied at school."

Bain's change There is a big gap between the confectionery industry with its slick marketing strate gies, and the textile industry with its image — however undeserved these days — of dark satanic mills.

## **OBSERVER**

Neville Bain, aged 50, is about to try to bridge that gap by swapping his job as finance director of Cadbury Schweppes for the chief executive's seat at Coats Viyella.

at Coats vivena.

Bain has been a Cadburys
man for 26 years, "almost since
infancy", he says. He joined
the group in his native New
Zealand after six years of accountancy. In his time with Cadbury he has worked all over the world before becoming group finance director and deputy chief executive two years ago. The textile industry will,

he says, be very different. But be hopes to bring a "fresh approach" to Coats. He has had plenty of experience of running a multinational company. Time alone can tell whether the lessons of that experience can be trans-ferred from fizzy drinks and choculate to cloth and circles.

Cop out

Hong Kong's criminal fraternity appears intent on gaining the upper hand over the colony's police force as fears mount about a perceived breakdown in law and order. No longer content with stag-

ing shoot-outs in the busy shopping district of Central, two enterprising crooks posed as telephone repairmen and broke into the house of the Commissioner for Police Li Kwan-hwa. After tying up the family maid, and brushing aside the cries for help of Mrs Li, the robbers made off with an undisclosed amount of

jewellery.

The break-in comes only months after a triad leader staged a press conference. Membership of triad groups is a criminal act in Hong Kong. Not surprisingly, the police were not invited but it received wide coverage in the local

A police spokesman has

BANX

"Not much of a silly season though, is lift"

quickly dismissed the latest embarrassment as "opportun-ist" and claims the robbers could not have known it was Li's house they were plunder-

I wonder. The criminals can hardly have missed the flag-pole outside flying the colours of the Royal Hong Kong Police.

Nuclear waste Rare glimpses into one of Britain's most secretive estab-lishments can be gleaned from this month's AWE News, the house magazine of the atomic weapon establishments. It seems that Aldermaston

has a nursery compound which supplies the flowers for its florai beds at the main entrance. But behind the dense trees that screen most of its hundreds of acres from the public, Aldermaston has grown very scruffy in the half-century since this corner of Berkshire was first ulidozed to turn it into a

bomber airfield.
Aldermaston is described as being "like a scene from war-torn France in the '40's". Some of the old drums, containers, and cans, junked by the bomb-makers are as hig

As a first step to cleaning up the Ministry of Defence site the management has begun a scheme for collecting and selling waste paper. It has taken its cue from another defence research centre, the Royal Aircraft Establishment at Farnborough, which generates 45 tonnes of resuleable

paper a year. What I can't understand is why Aldermation — which is probably bigger than Farn-borough, although the MoD doesn't talk about it — is generating waste paper at a rate of only 8 tonnes a year. Do they commit the secrets to

Olives beckon ■ When Asil Nadir wants something to take his mind

off the goings on at Polly Peck International, it could be that his thoughts turn to a small island near Göcek in the Gulf of Fethiye on the Turkish Aegean coast. He bought it earlier this year for a knockdown price around £1m. Nadir's choice, which is known as Zeytin Adasi isle of olives -- is agreed by the Turkish real estate cognoscenti to be a particularly stun-ning island on one of the world's most beautiful contines. "It is a green island which makes any passing yachtsman feel envious of its

owner", says one holiday-maker who sailed past it Just what use Nadir plans for his island is not yet known. But the betting is that he is more likely to make it into a holiday retreat for family use than to develop it for tourism.

Incurable

An evening class in confidence building at Ulverston, Cumbria, has attracted only two members. The organisers say people are too shy to apply.

CAPITAL TRUST S.A. GROLP

Hackney

has been acquired by Capper Management Company

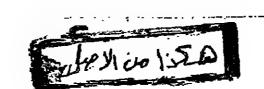
> for \$18,500,000

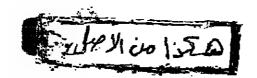
C.T. Capital Trust N.V. (member of Capital Trust S.A. Group) advised the purchasers on the transaction and arranged the equity financing.

> Capital Trust Limited 49 Mount Street LONDON WIY SRE

Tel. 071-491 4230 Fax. 071-499 0524

September 1990





## **LETTERS**

## Runway slot auctions would be a route to chaos

From Mr D.M.G. King.
Sir, Your editorial comment
("Entry barriers for airlines,"
September 18) puts forward the proposition that runway slots at Britain's major airports should be auctioned.

As an airports operator, BAA is eager to see the promotion of competition at its airports and especially the arrival of new entrants and new services with all the stimulation of new traffic this provides. However, the view that this can be encouraged by slot auction is illfounded and naïve.

BAA has seen many optimistic theoretical schemes for slot auctions, but none that has addressed the practical problems. Take, for example, the apparently simple problem of what constitutes a slot. An airline does not merely need a

Commence of the state of the st

N 1724

が。 1 と 変数

single space on the runway. It lines would end in complex needs a pair of such spaces, and inefficient chaos. one for landing and another for take-off. These must be matched by a pair of slots at the flight's end. All must be repeated for each flight by that aircraft throughout the day. Each runway slot must be

matched by a slot for the air-craft in airspace and in aircraft parking areas. There must be a slot for the passengers in the tightly constrained passenger terminals and possible allow-ance (as at Heathrow) made for the impact of vehicle traffic on the access to the airport. Thus a slot is not a single

commodity, but a complex multi-dimensional package. A simple auction which attempted to deal with integrating these many factors across a large number of airIn limited space, it is not possible to address all the other practical problems of dealing with slot auctions such as the UK's international obligations, difficulties for airlines and support organisations and for the travelling public in dealing with regular and unco-ordinated upheavals in the schedules, nor with the inefficiency and lack of flexibility which auctioning would create. Even if the auction system could be made to work there is a real danger that the powerful airlines would use their finan-

weaker competitors. However, it is worth stressing the apparently obvious fact that auctions are only a form

cial muscle to force up the

price of slots and freeze out the

quite possible to achieve the same objective of allocating peak slots to those who value them most (with less disruption and more flexibility), by moving progressively to pub-lished prices which rationed demands in the market. These prices might well, at the peak, be several times current levels, but then that is only to be expected from an auction.

Japan and particularly of its politicians. The reason for the despair might seem far removed from the great events of our time, such as the crisis in the Gulf, but connections do get made.
Though we know that Japan

tions do get made.

Though we know that Japan has enough image problems in the US already, but understand that it must play a full role in the international effort in the Guif, we can only despair at the story last Friday that leven's very lustice Minister.

Japan's new Justice Minister, on a tour of a Tokyo red-light

district, said that prostitutes

and US blacks were cut from the same cloth because both

destroyed nice neighbour-

Now, most people will not have heard of Mr Seiroku Kaji-

yama. He was briefly Minister of International Trade and

Industry last year and, some time before that, had been

Home Affairs Minister. He

comes from just outside Tokyo and has been in the Diet for 21

years. On the face of it, he does

not conform to the prototypical Liberal Democratic Party coun-

try bumpkin who, according to

the dictates of patronage, gets an occasional turn in the Cabi-

His first utterance as Justice

Minister 10 days before - that

the constitution might be

revised so as to make possible a Japanese military presence in the Gulf – suggested a markedly conservative, per-

haps nationalist, bent. But he

was far from alone, since the

range of opinions on offer in

lokyo was, and is, pretty wide.

This second pronouncement.

though, was in the wider con-

text plain dumb, no matter what clarifications his minis-

try put out - and enough were issued within hours to con-

vince anyone that he had indeed said what he said.

When he was prime minis-

ter, Mr Yasuhiro Nakasone undid a lot of good public rela-tions in the US by suggesting

that the education system

there was poor because it had to accommodate lots of minori-

ties. This is a perfectly arguable point when the US is compared with a culturally

homogenous country such as

Japan, but it is not the sort of

message calculated to win friends and influence people in

the country that is your staunchest ally and protector. Mr Kajiyama's excursion into political and social insen-

stitvity surely does not help his prime minister, Mr Toshiki Kaifu, who is going to have a

difficult enough time in Wash-ington next week because of the perception that Japan has

been dragging its beels over

the Gulf. The last thing he

needs is congressmen angrier

The current system works because the airlines have an incentive to co-operate and compromise. Why replace it with an untried system which would remove those incentives to co-operate? D.M.G. King, managing director

Airports Division, 130 Wilton Road, SW1

#### A welcome for Major's debt relief proposal

From Messrs J. Filochowski, M. Taylor, F. Judd, N. Hinton and J. Mitchell.

Sir, As five of the leading British overseas aid and development agencies, we warmly welcome the chancellor's new debt relief initiative, the

We welcome this bold and realistic proposal because it acknowledges two key issues: that the creditor nations share responsibility for the economic processes which lie at the root of the Third World's debt bur-den, and that the terms and implementation of the Group of Seven's (G7) Toronto (debt relief) Plan of 1988 needed over-hauling. In practice, the l'oronto measures delivered

too little, too slowly. However, if the Trinidad Terms are to translate into real improvements for poor people, a number of points must be It is vital that the other G7

countries agree to implement the proposals in full and withour delay. The International Monetary

Fund's economic reform pre-scription (which poor countries must adopt in order to be eligi-ble for debt relief from the G7) needs to be more sensitive to the economic realities faced by the poorest sectors of society ud to be more aid resources if they are to meet their economic objectives humanely

All Third World countries benefiting from debt relief must pursue equitable developfor international co-operation on debt reduction is to go for-

The abarply rising oil prices provoked by the Gulf situation threaten to undermine the benefits which the Trinidad Terms could bring. Urgent interna-tional action is needed to address the impact of rising oil prices on poor debt-distressed G7 creditor nations should agree that extending debt

repayment periods is no substitute for reducing debt - the urgent task of tackling poverty is not helped by remortgaging the future Lastly, the benefits which

the chancellor's proposals could bring should be extended to a wider group of debt-distressed nations as soon as pos-

Julian Filochowski, Cafod, Michael Taylor, Christian Aid, Frank Judd, Oxfam, Nicholas Hinton, Save The Challabrim John Mitchell, World Development Movement.

#### Authors speak for themselves From Lord Thomas of

Sir, I refer to your report ("Emn benefits oversold says Centre for Policy Studies," September 20). In fact, Mr Tim Congdon's

paper "Emu now? The leap to European money assessed" should be seen as a contribu-tion to the Centre for Policy Studies series on the "European debate" - an earlier paper in the series being Sir Leon Brittan's "Monetary Union: the issues and the impact". Our authors speak for themselves, not the centre. Thomas of Swynnerton, Centre for Policy Studies, 8 Wilfred Street, SW1

## Watering the academic forest of knowledge

From Professor D.A. Smith.
Sir, Mr Griffin auggests
(Letters, September 18) that
the whole of profit-plus-overhead generated by a university industrial contract should be retained by the department which carried out the contract, presumably the better to serve the client's immediate future

On this same basis, may I ask if those members of his Association of the British Pharmaceutical Industry who happen to sell aspirin promise their customers to plough back their entire profit-plus-over-bead on aspirin sales into bet-ter aspirin plant and higher quality aspirin tablets? Different universities may

allocate the overhead costs of their departments in different ways but all have to support hibraries, maintain buildings, pay administrators, comply with health safety regulations, provide recreational facilities, and so on. In addition, they must market their services to industry as a whole, not just to nt customers. Above all, they have a duty to initiate new research projects which



are the seeds of their future scholarship. For many years, if ever, such projects will pro-duce no pay-back other than a contribution to knowledge.

These seeds may sometimes be planted by the university in what Mr Griffin now labels the "less successful departments", by which I think he means those not wholly dedicated to short-term industrial service work. However, if they are not so planted, in 20 years time all

VALSAKER. industry may be very short of fundamental educe and technology which may be quite dif-ferent from that in current

Sadly, by then, the forest of mature academic knowledge which industry is presently logging at modest cost could well have become an intellectual dust-bowl.

Flat 1, 26 Devonshire Place, W1

#### Mrs Chalker's cancelled visit to Nigeria damned "this outright viola-

From Mr G. Dove-Edustr. Sir, Mr William Keeling's tion of the territorial integrity report ("UK cancels visit." September 21) on the cancellation The statement went on to call of Mrs Lynda Chalker's provisit to Lagos next month calls for comment.

British officials are reported to have expressed anger at the failure of a Nigerian government press statement on the visit of an Iraqi delegation to Lagos to condemn Iraq as the aggressor. Some of your read-ers may understand that our sensitivity, in the circumstance of the presence of a high-level. Iraqi delegation in our country, was not misplaced.

What all of your readers who read Mr Keeling should know is that as early as August 3, my government issued a statement on the Gulf crisis which recalled Nigeria's "strong belief in the inviolability of the sovereignty of nation-states and, with reference to the Iraqi invasion, regretted and con-

on Iraq to "withdraw all its forces from Kuwait to enable negotiations leading to a peaceful settlement of the dispute to proceed under the suspices of the United Nations and Opec to which both countries belong". A high-level delegation was despatched shortly thereafter

to deliver a message of support to the Emir of Kuwait in his place of refuge in Saudi Arabia. So much for accusations of a Nigerian tilt towards

plotters who were condemned after a second trial.

My British Foreign Office friends and I agreed at different points a few years ago that when a difference arises between our two historically

friendly countries, but whose official relations have all too often experienced sudden turns in the past, rather than let the difference grow in a cancerous way, we should intensify con-tacts and nip the difference in the bud. It would have been in keeping with our very good relations therefore, if our friend, Lynds, had felt able to go to Lagos to represent the UK views in those very chan-nels which she, among others, have striven so hard to culti-vate in the post-Dirko years. The Nigerian deed within Nigerian law has been done and British diplomatic repre-

sentation made, as well as your own and other newspaper sto-ries on the matter. I would celled visit is given as the enforced sentence on the coup wish that we may now leave things at that and work further for improved relations between our two countries. G Dove-Edwin

high commiss 9 Northumberland Ave. WC2

### Hungary's privatisation goals clarified

Mr Csepi, new head of the state property agency (SPA), together with the launch (September 14) of the first privatisation programme (FPP), have clarified the programme's goals and the roles of the SPA, enterprise managers and privatisa-tion advisers. ("Strong domestic interest and controversy,"

The stated goal of the privatisation programme is to tra fer half the economy from state to private ownership within five years. This is to be arranged so as to optimise the contribution to state revenue, ed so as to optimise the to increase the efficiency and competitiveness of Hungarian industry, to assist the develop-ment of Hungarian capital markets and to promote

From Messrs Charles Yates and Paul Knight.

Sir, Statements by Hungary's Prime Minister Antall and lish clear, transparent, and reasonable procedures while retaining the right of veto over any proposed deal.

The SPA has less than 40

staff and cannot be involved in the detail of the majority of privatisations. It has acknowledged that in most cases the enterprise or financial advisers will start the privatisation process. Past abuse of the "sponta-neous privatisation" process involved artificially low enter-prise valuations and the SPA will pay particular attention to this. It plans to draw up a list of independent financial advisers who satisfy certain norms and hence have the agency's approval to value enterprises.
As described ("Hungary looks for new owners," Septamber 18), the FPP is a special

case in which the SPA will take particularly close interest. The agency has decided to pri-vatise part of the privatisation process by requiring that financial advisers, in conjunc-tion with enterprise management, devise a privatisation and business strategy. This will provide an opportunity for all involved to learn and produce a number of model approaches to privatisation which will guide later deals. In order that these models have wide relegance the enter-

have wide relevance, the enterprises in the FPP are from a range of industries and will allow a number of different approaches to selling a stake in enterprises (trade sale, share offering and management buy-out) to be tried. Charles M. Yates, Paul Knight, Nomana Research Institute Europe, 24 Monument Street, EC3

### Polly Peck: expert advice at a crucial time

From Ms Antonia F Stewart. Sir. Lex's comment (September 21) that Polly Peck's advisers should consider resigning seems to take into account only one of the arguments that surround the difficult question of what advisers should do when problems arise either in

connection with their clients' business or their own relationships with their clients.
If its advisers do decide to resign, it is by no means clear that Polly Peck will be able to appoint suitable replacements whilst it faces a period of uncertainty and to leave the

company without a source of expert financial advice at this crucial time would be a serious disservice to both the company and its shareholders. Antonia F. Stewart Laing & Cruickshank, Broadwalk House,

#### Accuracy of statistics: visible and invisible trade after 1993

From J.L.T. Davies.
Sir, The problem of the accuracy of the invisible trade data ("Worsening deficit reopens statistics row," September 13) is clearly of considerable importance and any improvement which the Central Statisment which the Central Statistical Office (CSO) can make in this area will be welcome. Nevertheless, it should not

be forgotten that beginning in 1993, following the introduction of the single market, the present excellent system of recording and preparing international trade data used by the Customs & Excise will be aban-

. . . . . .

doned as far as intra-European Community trade is concerned in favour of an as-yet-undefined and unagreed alternative. The EC is presently consider-

ing a form of reporting based on the value added tax returns, but only for major reporting companies, accounting for about 80 per cent of interna-tional trade. These companies. it is hoped, will report in detail to provide information broadly comparable to that presently obtained from the single administrative document (Sad). Smaller companies will be expected to produce only some

aggregates of value.

It may be possible, therefore, to calculate a balance of payments deficit or surplus for visible trade, but it seems unlikely that this will be of comparable quality to that presently available monthly. It is, however, now clear that detailed information, especially detailed information on the volume of goods traded, will not be nearly as accurate as that presently published and we should acknowledge that for visible trade, we are presently in something of a golden age as far as statistics are con-

cerned, following the successful introduction worldwide of the harmonised system of tariff nomenciature in 1988.

It is now possible that, beginning in 1993, we may see a situation where, even if the CSO does nothing to improve the

existing reporting system, the statistics for invisible trade may be more accurate than those for visible trade. J.L.T. Davies, general manager

World Bureau of Metal 27a High Street,

FOREIGN AFFAIRS

## A failure of leadership in Japan

The Gulf crisis highlights Tokyo's difficulties over foreign policy, says Jurek Martin

than before and demonstrations by equally angry blacks. Even if this embarrassment is only temporary, as was Mr Nakasone's, it is becoming increasingly hard for the Bush administration to defend the proposition that, the Gulf notwithstanding, the bilateral relationship is in good shape. It is no longer merely a ques-tion of commercial issues, of Japan "buying America's cor-porate soul" or denying fair access to US goods. It is becoming, in US eyes, and not only Congressional ones, more a question of whether with friends like Japan enemies are

Two new logs are being added to the fire in this respect, both the work of old stokers. In the autumn edition the author's disingenuous qualifier that it is the US influ-ence-peddling system that is at fault, his book is little more than an exercise in McCarthyism. Its malevolent charge is guilt by association with anything Japanese.
But if political America, con-

fronted by recession, the Gulf and the collapse of the Soviet Union, does embark on one of its periodic bouts of self-recrimination and scapegoat hunting, then Mr Choate's seeds might fall on fertile soil. Mr van Wolferen does not always get it right, but he does make you think, and never more than when discussing Japanese political processe He believes, for example, that the western media have misinterpreted the events of the last

Prime Minister Toshiki Kaifu is going to have a tough enough time in Washington without blacks demonstrating and congressmen being made even angrier

of the journal Foreign Affairs, Karel van Wolferen – author of the controversial book The Enigma of Japanese Power – further develops the theory that Washington is guilty of "wishful thinking" about the real nature of Japan, while Tokyo continues to dissemble. Next month, Mr Pat Choate, a businessman-turned-polemi-

cist, chips in with Agents of Influence, a book which maintains that Japanese interests have bought chunks of the American lobbying industry and are therefore corrupting US public policymaking.

The Choate book, heavily trailed in advance by such different but respectable publications as the Harvard Business Review and the New Republic, is pretty nasty stuff. In spite of

"The effects of the Recruit scandal, the results of the Upper House elections and the cline of the Tokyo stock market have been seized on as small watersheds in postwar Japanese history. The LDP and two prime ministers tainted by scandals were supposedly held to account by the public, Japanese women were supposedly beginning to play a more prom-inent political role and the consumers were supposedly 'fed up'. None of this was accurate. None of these developments has had a lasting effect on the

18 months in Japan.

More conspiratorially, Mr van Wolferen suggests that "Japan's bureaucrais generally endorse conclusions about

way Japan is governed or does

structural change, especially concerning their own supposed gradual loss of control, because it matches their claims that Japan is adjusting to become a more responsible trading partner."

More charitably, he adds More charitanty, he adds that "they are not necessarily disingentious about this: many believe that such changes do take place in areas other than they know personally."

There is a lot of truth in this.

There is a lot of truth in this. Though trying to convey a different message, Mr Taizo Watanabe, the smooth and articulate Foreign Ministry spokesman, was pretty much bearing Mr van Wolferen out when he explained recently. when he explained recently.
"We are passing through a
rather agonising stage of transforming ourselves into an
international power."
Fair enough. There are genuine divisions of opinion in
Japan about the best response

to the Gulf, and they should be respected. Rewriting a consti-tution in any country, but perhaps most of all in Japan, is not something to be undertaken lightly. Regional Asian susceptibilities must be taken into account. To be seen merely as the global moneybags is not wholly satisfying. Japan's experience in the Middle East is limited and it may well seem less obvious in Tokyo to be asked to favour one group of Arabs over another than it does in Washington or London, Iraq's invasion of Kuwait has even been compared to Japan's annex-

So if Japan has appeared dilatory in responding to the crisis of the Gulf it is because it was pretty much beyond its previous ken. But it is also true to form that each Japa-nese action and offer seems to have been taken as a response to external pressure from the US. The national political leadership has not seemed indepen-dently capable of giving direc-

ation of Manchuria in the

Which brings one back to the old rub about Japanese politics. Whether for devious reasons, as Mr van Wolferen contends, or for historical ones, which have denied to politicians much of a role in foreign policy or much of an incentive to claim one, the Japanese body politic continues to look irrelevant to any subject out-side its national borders. The only time it seems to put a head above the parapet is when a man like Seiroku Kajiyama drinks from the well of inthinking prejudice.
It is not just that he should

have known better. Somebody (his prime minister) should have invoked the Dugan precedent and sacked him.



## Torn between inflation and the elections

Philip Stephens and Alison Smith examine the dilemma facing the British chancellor

"The Treasury has to remembe that this is not just a theoretical exercise. There is an election coming up" - Tory Party

"I don't know what all the fus is about. How could anyone think that you could get inflation down without inflicting pain"— government minister.

THE TENSION between those two views of the present eco-nomic slowdown in the UK summarises the dilemma fac-ing Mr John Major, chancellor of the exchequer, as the Conservative Party prepares for its annual conference in two weeks' time.
The chancellor is determined

not to relax the interest rate squeeze until he is convinced that inflation is heading downwards. His judgment — voiced as vociferously in private as in public — is that it would be disastrous to lower interest rates too soon and then be forced to reverse the cut. Mr Major is not convinced that the mounting signs of a slowdown add up to the recession claimed by both the Confederation of British Industry (CBI) and by the opposition Labour Party.

That, according to col-leagues, means that he would like to see at least another month's economic statistics before contemplating even a small reduction in the cost of

small reduction in the cost of borrowing.

However, Mr Major is an astate politician as well as a cautious chancellor and is sware of the political risks of maintaining the squeeze for longer than is necessary.

It was that political judgment that persuaded him against pushing interest rates even higher at the start of this year. The official advice from the Treasury was that a fur-

the Treasury was that a fur-ther rise was needed to shore up the value of sterling, but the chancellor took the view



Kenneth Baker, launching the agenda for the Conserva-tive annual conference, warned that the state of the economy might delay the next general election until 1992.

chairman of the cross-party

trade and industry committee, said: "John Banham whinger

too much. No one wants high

interest rates, but the problem is offset by higher labour rates in at least two of our competi-

tor countries - US and West Germany, Interest rates are marginal."

That view was echoed by Mr Michael Grylls, Tory MP for Surrey, who said: "The prime target is inflation, and nothing must be done in any way to damage the reduction of infla-

that an increase would provoke such turnoil smong the gov-ernment's supporters that it might prove counterproduc-tive. As yet, the jitters among Tory MPs are not even close to the panic that swept Westmin-ster earlier this year during the poll tax row.

Among those MPs prepared to make public statements yes-terday there appeared to be as much concern about the CBI's complaints as about the timing of any interest rate cuts. Mr Ken Warren, the Tory Angust, smaller than market expectations and below July's deficit of £1.7bn (\$3.2bn). The figures failed to lift the stock market, though they boosted stating.

The pound recouped some of its losses of last week, climbing by more than 4 cents in London to \$1.8845, and more than 2 pfennigs to close at DM2.9350.

A 1.5 per cent month-to-month decline in imports to £9.8bn underlined the slow-down in the economy. Exports rose 4.5 per cent from July to £8.6bn.

Mr John Major, chancellor of the exchequer, said in of the exchequer, said in Washington that the data were "a clear sign that poli-cies are working." However, he is thought unlikely to cut interest rates ahead of clear evidence that inflation is

failing. Mr Gordon Brown, the opposition Labour party's trade and industry spokes-man, said the figures were a "tragedy". He said August was the 28th successive month when the deficit had

Britain had a £1.1km (\$2.1km) current account deficit in August, smaller than market

been above fibn.
The Cautral Statistical
Office estimated the current account gap in the first eight months of 1990 at £12.4bn,

tion. The medicine has to be taken for a bit longer." However, the government acknowledges that the calm which it managed to restore in the summer is fragile. Many Tory MPs appeared to be hilled into a false sense of security—believing that the simple fact of high interest rates rather than their impact on the real economy would soon bring

down inflation. Mr Kenneth Baker, the Tory party chairman, was careful yesterday to emphasiae his

support for the chancellor's judgement. However, he was quick to add the reassuring prediction that inflation would soon begin to turn down deci-sively, bringing lower interest rates in its wake.

rates in its wake.

Some of his colleagues believe that if the slowdown turns into a recession soon, it would be impossible to engineer a turnround in time for the general election. The date for that election is already being pushed back by most at Westminister to the spring or summer of 1992 – the last possible moment.

sible moment.

Mr Major believes that the voters would not be convinced voters would not be convinced by a pre-election boom. Labour, which begins its party conference next weekend, is determined to capitalise on the fears of recession and would argue that another clampdown would follow any such boom after the elections.

The chancellor's view is said to be that while interest rates will have to come down the

will have to come down, the electorate would be more impressed by, say, 11 per cent mortgage rates and 4 per cent inflation than by interest rates at 9 per cent and inflation over her cent

5 per cent.

If the Treasury appears resigned to a 1992 election, however, those close to the prime minister believe that she will be anxious to keep open the option of choosing the autumn of 1991.

Against that background the chancellor may not be able to delay a cut in borrowing costs for as long as the Tra-sury establishment would like. sury establishment would like, ironically perhaps, the most likely circumstances for a cut would be after sterling's entry into the European Monetary System's exchange rate mecha-nism. Barring a conflagration in the Gulf, the view among members of the supergraph is members of the government is that the decision will be taken by the end of next month.

### Hawke wins backing for capital plan

AUSTRALIA'S Labor government yesterday won the backing of a special party con-ference for the injection of private capital into the telecommunications and aviation industries, including minority foreign investment in Qantas the national airline.

By Kevin Brown in Sydney

The decision marks a significant weakening of Labor's post-war commitment to public ownership, and confirms the dominance of the party's procompetition right-wing.
It also clears the way for fur-

ther proposals for the reform of road and rail transport and shipping as part of a wideid programme of structural economic reform.

Mr Bob Hawke, the prime

ninister, told the conference Labor would be thrown out of office if the party rejected the government's programme for increasing the efficiency of the economy.

The conference decision means the government is free to implement plans to merge Australia Telecom, the domestic communications carrier with OTC, the international

The merged company will remain in government ownership, but Aussat, the debt laden government-owned satel-lite operator will be sold to form the basis of a private sec-tor competitor. The carrier will be obliged to allow the private sector company access to its network, but both companies will be subject to statutory reg-ulation and both will be required to provide subsidised services for rural areas.

The Australian Telecommu

ns Employees Association said it would to fight the reforms, and warned that members might refuse to pro-vide connections between the state-owned company and its private competitor.

The conference rejected left-wing attempts to keep the two government-owned airlines approved plans to sell up to 49 per cent of Qantas and 100 per cent of Australian Airlines, the nestic carrier.

ever, in limiting foreign stakes in Qantas to a total of 35 per cent. Mr Kim Beazley, the

The vote was welcomed by Mr Bill Dir, Qantas chairman, who said it was the only way for the airline to raise the capital required to maintain growth and reduce its debt. "Our capital expenditure pro-gramme calls for outlays of

## THE LEX COLUMN Warning lights on the oil guage

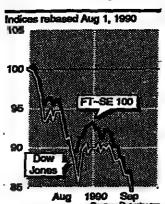
It is the most frustrating of times for world markets: in the shadow of great events, but with nothing fresh to go on. Rumours apart, yesterday's surge in the oil price was based on nothing more substantial on nothing more substantial than growing despondency about the Gulf. There are now signs of a real tightening in supply; but that in turn is due to stockbuilding by increasingly nervous commercial users. The same mood plainly extends to governments, hence the reluctance to release strate-

gic reserves. In similar fashion, yesterday's rise in sterling may have represented little more than random fluctuation in the absence of fresh news on the ERM. The UK trade figures, though better than expected, have lost their power to excite. They were in any case consistent with a picture of general slowdown. On a rolling three month basis, the volume of imports net of oil and erratics imports net of all and errates is almost 4 per cent down from its June peak; the volume of exports is down 2 per cent. It now looks conceivable that the budget forecast of £15hn for the year willbe attained after all.

year willbe attained after all.
But just as the consumer squeeze is bringing down imports, strong sterling and the slowdown in world trade are biting into exports as well.
On such a day, the 2,000 barrier on the FT-SE never stood much change not at any rate. much chance: not, at any rate, once Wall Street and the US bond market had started to react to the oil price. The ruing factor at present is what one might term the time value of warrer the closer the market. of worry; the closer the mar-kets get to whatever date they expect shooting to start, the worse their frame of mind.

Mount Charlotte

Perhaps the Kuwait government simply wants to sell equities rather more quickly than it has been letting on in public; or maybe the KIO is less astuta than its old reputation suggests. Whichever explanation is correct, the KIO appears to have given Sir Ron Brieriey the better and of the deal by selling him 10.1 per cent of the blount Charlotte hotel group, at 71p per share. Sir Ron doubless deserves the usual congratulations, as the canniest of the Australasian corporate the Australasian corporate raiders. But that is hardly grounds for the rest of Mount Charlotte's shareholders to award him a further coup, by accepting his 2644m bid for 100



per share his bid compares with a 1969 net asset value for

Mount Charlotte of 122p. The

disappointing set of results. Several of the survivors of the 1970s secondary banking crisis,

such as First National Finance

and Cannon Street Invest-ments, are once again sporting distressingly high yields.

Against this depressing background MAI (ne Vavas-

seur) is very much the odd

man out. A 19 per cent rise in pre-tax profits to £65.6m and a double digit rise in the divi-

MAI.

suffers from the company it keeps, but if it can raise its profits in the current year it-deserves to be rated on more than 7% times historical earn-Continental AG

dend indicate that its botch-

potch of financial services and media businesses is holding up well. It has not made the mis-

take of betting the company on a single high risk venture, like computer leasing; and with £40m of net cash, its balance sheet is in good shape. MAI

Listening to Continental, it is hard to know why anyone should have taken Pirelli's merger proposal seriously. Continental was supposed to gear itself up to the eyeballs to buy Pirelli Tyre on 50 times carriers or twice the current. Thistle Hotels a year ago, its shares have suffered the usual penalty for companies which geared up heavily to buy property at the top of a bull market. And however confident earnings, or twice the current-share price, and then cede con-trol of the combined group to a shadowy group of investors organised by Pirelli's Italian ket. And however confident
Mount Charlotte may be that it
can swiftly reduce its £520m of
gross debt, its interest burden
this year will depress earnings
per share to around 5.4p, a 14
per cent fall on 1989.

The cheapness of Sir Ron's
bid emerges if one looks at it
from his point of view. At 73p
per share his bid compares parent. The effect on minority shareholders would be disas-

But while this sort of behaviour, with concert parties or fan clubs making threatening noises in the wings, would never be permitted in the US and the UK, it would be wrong and the UK, it would be wrong to understimate Continental's continued vulnerability. The punters, who ran the stock up to DM 347, have been badly burnt and there must be pressure for something to happen, especially if Pirelli really can count on influencing 50 per cent of Continental's stock.

Prudential.

Mount Charlotte of 122p. The bulk of that figure reflected a December 1988 valuers' report, which probably still holds good. Thus if Sir Ron's bid succeeds, he will get control of Mount Charlotte, central London's largest hotel operator, with 40 per cent trading magins and lots of pent-up cashflow, for less than two-thirds of its net worth. The Prudential buys a Belgian fire and casualty insurer in 1972 for 55m, presumably in a fit of excitement over Mr Heath's new Europe. Then it does hardly a thing with it for 16 years, and receives pality dividends, of less than 55m in 1989. So, understandably, it thanks its backy stars when, just as the Belgians are busy deregulating the local market, a state owned French insurer happens along said pays the steep figure of \$167m to buy the lot. The Prudential buys a Bel-One of the fascinating things about the UK financial services industry is the capacity of the players to make or lose huge sums of money. At the moment, the camphasis is very much on the latter. Leaving saids British & Commonwealth, which is in a leave of wealth, which is in a league of its own, Tyndall pessed its div-idend last week after racking up heavy losses in Australian insurance and Butland Trust's shares halved yesterday after a disconnectation and of yestella.

The cash, and the benefits to Pru's balance sheet, are obvi-ously very welcome, at a time when its exists accrutes are in heavy loss and its fast-growing Jackson National Life still needs support from London, But the whole episode rather sums up the on-oil, hapherard way in which the UK's insur-ers have handled their relationships with continental Europe. This is something which has to

## Brussels heads for clash with airlines

By Tim Dickson in Brussels and Paul Betts in London

THE EUROPEAN Commission is heading for a clash with the European strline industry over its plans to introduce rules on the allocation of take-off and landing alots at congested EC

irports.
Under the proposals, large
European airlines would be
forced to hand over slots to

The draft plan, which is likely to be adopted by the European Commission in the next lew weeks, is seen as the most ambitious attempt yet to break the power of the estab-lished atrime monopolies. However, both large and

small airlines criticised the proposals. They said the plans risked making worse the already difficult slot allocation at congested airports by introducing a lengthy legal and bur-eacratic mechanism instead of the existing, more flexible, scheduling arrangements organised by the airlines them-

selves. Some EC member countries are also worried by the plans and are expected to put forward proposals of their own. The UK is expected to out-line its views on this controversial issue in the next few

The EC says that, unless code of conduct for slots is established, its air transport liberalisation policy will be undermined by the barriers to entry for new competitors at congested airports.
Changes may be made to the

so-called code of conduct - the subject of consultation between Mr Karel van Miert, EC transport commissioner, and Sir Leon Brittan, the competition commissioner. But, as things stand, big air carriers could be limited to eight slots a day at the most congested air-Dorts.

London Heathrow, Frankfurt and Milan are the most notorious examples but others may

hecome available, as well as freedom to exploit existing ones with alternative services. EC officials point out that continued dominance of the big US "hub" stroots by established carriers has frustrated the aims of sirling deregula-

tion - but the development of new airports has to some extent eased the situation. For environmental reasons that is not a realistic option in the EC. The most radical European solution - auctioning airport alots to the highest bid-der - has been ruled out in Brussels on the grounds that it has not been tried elsewhere and would almost certainly

qualify under the rules being prepared in Brussels.

The Commission's aim is to try to break the stranglehold of the big carriers which they exercise through the system of "grandiather rights". This gives those on the ground first refusal of any new slots which become available, as well as The code of conduct would define congested sirports as those for which no slots are available during a four-hour

period for the workdays of a week during two months of a Newly created slots, unused alots and slots given up by a carrier before or by the end of the season would be placed in a pool. Fifty per cent of these would be redistributed to new entrants up to a maximum of two slots per cartier per four-

hour period.

A "special new entrant" sta-tus would be created where the ary alots are not obtain

## Brent oil tops \$40 on fears of Gulf war

Oil PRICES neared a 10-year high yesterday, with North Sea Brent breaching \$40 a barrel, on fears of war in the Middle The fresh surge followed bel-

licose remarks by President Saddam Hussein, who warned at the weekend that Iraq would attack Middle East oilfields and Israel should economic sanctions begin to bite hard. His comments were seen in markets as further dimming hopes of a peaceful end to the

The price of oil reflects fears of war and is much higher than most analysts consider

powers he has now gained - by 305 votes to 46, with 41 abstentions - suggest that the

whole effort at compromise may be more for political form

than substance.

It means he can begin within days to put into effect the radical stabilisation measures pro-

posed by the Shatalin plan, including a drastic credit squeeze and the beginning of a

sweeping privatisation programme to sell off housing and

state property.
On the other hand, Mr Gorbachev still has to meet the angry objections of the Russian

ally Mr Boris Yeltsin, its presi-

dent, who reject the emergency powers as gross interference in their own competence.

The irony is that both Mr Gorbachev and Mr Yeltsin are

committed to the radical Shatalin plan, although the Soviet

leader has been trying hard to accommodate Mr Ryzhkov.

ment and his occasional

Gorbachev wins powers

justified by the reduction in crude supplies caused by the embargo on Iraqi and Kuwaiti oil exports. They are expected to continue rising as long the market perceives a threat to

Saudi Arabian oil exports. Cargoes of Brent oil for prompt delivery were quoted at \$40.65 a barrel, reflecting a steep premium for prompt sup-plies. November cargoes also rose sharply, and closed up in European trading.
Refined products' prices fol-lowed cruds higher and petrol

prices were at record levels.

The sharp increases, however, were not thought likely

Yesterday's stormy and con-fusing debates in the supreme soviet, with two tub-thumping

and theatrical interventions by

the Soviet leader to press through his new powers, seemed largely dedicated to the aim of keeping Mr Ryzhkov on his side, in spite of their obvi-

ous differences over economic

rategy. In the end, Mr Gorbachey

to prompt industrial nations to adopt emergency measures such as releasing strategic crude oil stocks. A senior offi-cial at the International Energy Agency, which is responsible for co-ordinating the response to an oil supply crisis for 21 industrial countries, said supplies to the mar-ket were actually increasing because of faster than expected increases in production by Saudi Arabia, Venezuela, and

He said the IEA, whose gov-

erning board meets on Friday

in Paris, was concerned that a

release of government stocks

iour of "26-year-old oil traders with three telephones on each arm". He said the price impact of the United Arab Emirates.

any supply disruptions would be much faster than in previous crises because of the sophistication of the market, but he noted that prices would have to reach \$70 to \$80 a bar-rel to match in inflation adjusted terms the prices hit 10

could cause a panic in the mar-ket if traders concluded the move meant that a serious cri-

sis was at hand. He added that the IEA did not want to inter-

vene to influence the behav-

## Gerald Ronson to appeal

By Robert Rice, Legal Correspondent, in London

produced a compromise resolu-tion which instructs him to work out a single plan on the basis of both the Shatalin and executive and Mr Anthony Abalkin documents, including proposed amendments by Pro-fessor Abel Aganbegyan the fessor Abel Aganbegyan, the third leading Soviet economist, without singling out any one as the basis. That is a setback for the supporters of Professor Shatalin whose plan was sup-posed to be the basis for com-

The progress of the whole reform package now depends had advised that he had "sub-stantial grounds" for appeal. critically on how Mr Gorba-Parnes and Sir Jack Lyons, the chev uses his powers.

MB Gerald Ronson, chairman of the Heron Group, jailed for one year and fined £5m (\$9.4m) for his part in the illegal share support operation mounted during the 1986 Guinness takeover battle for Distillers, announced last night that he will appeal against both his conviction and sentence. Two of his co-defendants, Mr Ernest Saunders, the former Guinness chairman and chief

Parnes, a London stockbroker, announced their intention to appeal against conviction and sentence last week.
Mr Saunders was jailed for five years and Mr Parnes for 2% years. Mr Ronson's solicitors Mischon De Reya said in a short statement that leading counsel

millionaire financier, were between them convicted on 28 charges of conspiracy, theft and talse accounting after a 107 day trial. All charges were denied.

Sir Jack, who had to undergo an operation shortly after the trial finished on August 28, will be sentenced by Mr Justice Henry, the trial judge, this morning at Southwark Crown Court in London. Sir Jack will then have 28 days to decide whether he wishes to appeal. No date has been set for the appeal but it is likely that if Sir

appeal out it is inkey that it are Jack decides to join the others, the appeal of all four men will be heard together sometime before the end of the year. Mr Saunders still faces trial in the second part of the Guin-ness prosecution due to begin in January and Mr Ronson will

in the public sector and The left was successful, how-

transport and communications minister, had earlier suggested two foreign airlines might each be allowed to buy 20 per cent of Qantas.

be eligible to be released on parole at the end of February. Quantum stake, Page 5

## **British Steel would like** to inform termites that the buffet is now closed.



When the railways came to Africa, they brought

Whole countries now had a fast and efficient form of long distance transport. And in the tropics, the termites now had a restaurant.

Mile after mile of wooden sleepers: a running buffet as far as the eye could see.

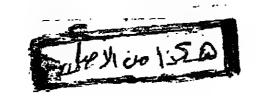
Enter the British Steel sleeper.

It's lighter, stronger and longer lasting. It has also stopped a lot of creosote from going into the atmosphere. And a lot of trees from going off to the saw mill.

In fact, it's better all round. Although it has rather spoilt the party for the termites.



British Steel: adding value





#### INSIDE

A CONTRACTOR OF THE CONTRACTOR

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

1 (2000)

#### Coats names new chief executive



ing tactics. The company, one of Europe's largest textile groups which is suffering from a recession in the UK industry, yesterday announced the appoint-ment of Neville Bain (left) from Cadbury Schweppes, the confec-tionery company, as group chief executive.

comed in financial circles. "He certainly sounds like the answer to Coats' problems," said one London analyst. Alice Rawsthorn reports. Page 26

#### Hope in a hostile climate

It's a hostile climate for developers in North America. Rising vacancy rates and ferocious competition for tenants are facts of life. Brook-field Development, however, the Canadian property group, has embarked on the continent's biggest commercial construction pro-gramme, despite being technically bankrupt. Bernard Simon reports. Page 21

#### Mandarin registers 7.5% fall



The drop in visitors to Hong Kong and increased competi-tion has had a telling flect on Mandarin hotels arm of Jardine

Matheson. The hotel group reported a 7.5 per cent drop in profits before extraordinary items, and also announced that it was applying for a listing on the international Stock Exchange in London, Angus Foster reports, Page 22

#### Unessu over uncertain futures

US derivatives exchanges plan to launch a range of futures and options products bas Japanese stock indices. The products will give US investors the chance to take a view on the Japanese market without having to trade in Tokyo. But Japanese regulators are uneasy as these instruments will be beyond their control. Page 25

#### Merger triumphs over fear



Despite a summer filled with rumours of shareholder unrest, the proposed merget between Lyonnaise des Eaux, the French pany, and of Dumez, the construction company, won solid dumez support vesterday.

Lyonnaise chairman and Jean-Paul Pareyre, of Dumez, have succeeded in quelling tears over the merger in their aims to create one of France's largest industrial groups. Page 20

#### New arrival in the nappy market

Procter & Gamble/Fater — On September 24 to the US consumer products group and the private Italian company was born a merged paper products business. The new group will become a formidable player in the nappy market. P&G claims a third of the European market for paper and cloth diapers, while Fater is estimated to have almost 10 per cent. John Thornhill reports. Page 26

#### Market Statistics

Sase fending rates
Senchmark Gowt bouds
FT-A indices
FT to bond service
FT guide to correction
Financial futures
Foreign exchanges
London recent service
London recent service

Haye Iniehtech

London traded options
London tradit options
Memory markets
New Int. bond Issues
World commodity prices
World stock mich indices
UK dividends announced

### Companies in this section

29 Lloyd Thompson 21 Lloyds Bank 26 Lyonnaise des Ea 21 MACUIST Glenfive 27 Macuisan-Glenfive 27 Macuisan Ortenta 20 Materian Apollinaris Brunnen
SCE
SHP Gold
SM
Sank of Commerce
Elackwood Hodge 21 MACullan-Glenfivet 27 Membrine Oriental 20 Metairax 27 Metairax Neptune Orient Lines Cadbury Schweppes
Cambridge Water
Coats Viyella
Cornwell Parker
Corroon & Black 26 Norieh 26 Pick 'n Pay 28 Potypipe 21 Poseiden Gold Delta Air Linea Dumez E'burgh Fund M'gers Fater Spear (JW) Steetlev Fortnum & Mason Global Goodman Fielder Wett Goodman Inti

# Chief price changes yesterday

26 Totlenhem Hospur 22 USAIr 27 United Asian Bank 29 Westpool Inv Tst 29 Willis Faber

Moess Normani Grid Fallo	443	+	*	BIND Cred Pencier	287 822	_	19 40 10
Albura On America	635	, ~	3%	Goto Hayas	310 427	=	3
Here York prio	go At '	12.30	. Toky	o closet.			
LOSEDOM (Per	poe)			Figurescriptor	518	_	2
Brent Chain	137	+	4	Havelock Buro	122	~	71
MAI	91	+	3	Hickson tot	106	~	- 1
Mt Churiotia	7012		Ħ	Lenzi & Gen	342	~	10
Norcius.	81	+	4	ظوامتندي بالبا	58	~	1
Parks				Royal Inc	337		1
Countrysida	72	_	12	<b>Puttent Tet</b>	11	~	- 1
Brods	97	_	9 15	Stri Chart	299	-	1
See Acc Grovewood	428 37	Ξ	7	Ted Hea	170	-	1

# Continental rejects hostile offer by Pirelli

CONTINENTAL, the West German tyre company, yesterday rejected what it called the "hostile" takeover attempt by Pirelli of Italy, but said it was ready to talk about a possible deal on different terms.

Mr Horst Urban, Continental's chief executive, said the Pirelli proposal to merge the two groups' tyre activities would leave the combined company with a beavy debt load, weakening it financially at a time of

tough competition.

The proposed deal, to create a

more competitive company at number four in the world tyre industry with 16 per cent of the market, would also be unable to yield anything like the synergies mentioned by Pirelli, Mr Urban said. He said the Continental management board's reaction to the deal was clear - "not like this, Mr Pirelli". But he added: "We are certainly not slamming the door shut."

Pirelli, headed by Mr Leopoldo Pirelli, says it holds a 5 per cent stake in the German company and is supported by shareholders

holding over half of the equity.
Without knowing who these shareholders were, Continental could not be expected to go along with any deal, Mr Urban said. Moreover, Pirelli's own shareholding structure, with four different companies in which the Pirelli family's direct stake is Pirelli family's direct stake is small, was "not particularly sta-ble". He declined to say what sort of links Continental envisaged with Pirelli.

At a press conference, Mr Urban gave details of the Pirelli offer for the first time. Pirelli pro-

posed that:

Continental acquire the tyre business of the Italian group, held through quoted Pirelli Tyre Holdings (PTH) in Amsterdam, for between DM1.8bn (\$1.2bn) and DM2.2bn in cash.

 Half of this sum be financed. by Continental increasing its capital by 50 or 60 per cent through a rights issue and the other half by the German company through borrowings. It now has 8.7m abares in lesse with a stock mar-ket value of DM2.3bn. Pirelli acquire the share rights

of those shareholders friendly to it, raising its stake to nearly 28 per cent, including further share purchases. Shareholders backing Pirelli would have around 23 per cent. Pirelli would thus influence just over half of Continental's

Mr Urban said this deal would dilute shareholders' funds and raise indebtedness of the combined operation to 5.5 times joint cash flow from two times; debt would thus total DM4.5bn, The interest rate burden would be around DM500m a year, twice the Lex, Page 18

He also said the stockmarket value of PTH was around DM800m, less than half what Pirelli wanted Continental to pay Pirelli wanted Continental to pay for the tyre operation. This would present holders of PTH shares with a high premium, while Continental shareholders would lose control of their company with no premium.

"Continental would finance its, own takeover by Pirelli and create considerable funds for Pirelli as well," he said.

Lex. Page 18

## Banks join forces in traveller's cheques

By David Barelund

BARCLAYS, the largest UK bank, and BankAmerica yester-day said they were joining forces in the international traveller's

cheques market.

The move, which will create one of the largest issuers of traveller's cheques in the world, appears to be aimed at challenging American Express's dominance of the market nance of the market,

BankAmerica is to buy a sub-stantial minority stake in Interpayment Services, a traveller's cheque marketing company set up by Barclays last year. Traveller's cheques issued

through Interpayment will carry the Visa brand. They will also carry the brand name of the carry the brand name of the bank acting as selling agent.

Financial institutions will be able to choose between a package which will give them their own branded cheques on an agency basis with marketing back-up from interpayment, or one whereby the company will process cheques for financial institutions preferring to own and manage the float of unre-

documed traveller's cheques.

This means that interbank cheques should be more attractive to small books than those which bear the name of a rival financial institution.

Mr Richard Butt, chairman of mr Hichard Butt, chairman of Interpayment, said yesterday he expected the sales of traveller's cheques through Interbank to reach the \$12bn level in 1991. American Express has more than 40 per cent of the world-wide traveller's theques busi-hess, which was estimated at \$57bn last year.

hess, which was estimated at \$57bn last year.

Mr Terry Mock, president of Bank America Cheque Corps, and Mr Gordon de Lang, senior vice-president of the bank, will join Interpayment's board.



Sir Robert Scholey, chairman of British Steel: executives are attempting to contact Aristrala.

## Spanish producer calls off British Steel-Banesto deal

stiempt to mount a rival bid from

THE family owners of Jose Maria Aristrain yesterday pulled out of an agreement to sell the Spanish steel producer to a joint venture formed by British Steel and Banco Español de Credito.

which Banesto said was the result of a unilateral decision by Mr Jose Maria Aristrain Jr, chairman, stunned both partners.
British Steel executives were

last night attempting to get in touch with Mr Aristrain to see if the deal could be salvaged.

The British group had patiently courted Aristrain for months before the deal, said to worth 2219m, was signed in July.

However political opposition, which coalesced around an

ing Aristrain outright. Ironically during the talks Mr Aristrain consistently rebuffed the Spanish consortium in favour of a deal with British Steel. British Steel agreed to a joint venture with Ranesto in which each would purchase 40 per cent of Aristrain, to accommodate

Ensidesa and Alto Hornos de Vis-caya, two state owned producers,

prevented British Steel from buy-

Spanish hostility to a foreign takeover. The remaining 20 per cent was to stay with family shareholders. The partners each agreed to sell 5 per cent to Ensidesa if it wished to join. The collapse of the deal would be a setback for British Steel's

production of structural steel. It also wanted to exploit Aristrain's distribution network in France,

plans to expand into continental

West Germany and the US...
However, with steel demand
weakening in Spain and the UK,
it is thought British Steel may
have revised its assessment of
Aristrain's worth. Some analysis said the 2100m the company might have spent on the pur-chase would come in useful as an additional cushion against the deteriorating economic climate.

The collapse of the deal could come as a blessing in dispute for Banesto. Barlier this month adverse market conditions forced it to call off a planned flotation of its industrial assets.

## Brierley launches unwelcome bid for **Mount Charlotte**

#### By Andrew Boiger in London

BRIERLEY Investments (BIL), the New Zealand company founded by the entrepreneur Sir Ron Brierley, has launched an unwelcome cash bid for Mount Charlotte Investments. The offer values Britain's second biggest hotels group at 2644m (\$1.16bn). BIL made its move after

acquiring a 10.1 per cent stake in Mount Charlotte from the Euwait Investment Office yesterday

Investment Office yesterday morning.
Since the New Zealand group already held a stake of 28.8 per cent, the purchase took it through the 30 per cent barrier and under the Takeover Code it was obliged to make an offer for all the remaining shares.

A BIL spokesman said its offer of 78p a share "was not meant to be in any way hostile" and was being made solely because of the rules of the Code.

However, Mount Charlotte

rules of the Code.

However, Mount Charlotte described the hid as "both derisory and opportunistic". It said the offer took no account of Mount Charlotte's net asset value. of 122p per share, nor of its and four-star hotels hotels in centrai London, totalling 7,000 bed-

The KIO sold its stake for 72p per share. However, under the Code, BIL had to offer the remaining shareholders the best price which it had paid for any Mount Charlotte shares in the preceding year, which was 730. Mount Charlotte shares closed

Mount Charlotte shares closed lip higher at 70%p.

The KIO disposal comes only days after the Kuwait Finance Minister said his exiled government would dispose of liquid assets to fund its spending during the Gulf crisis, but would not sell shares.

City analysis were vesterian

City analysis were yesterday taking a relaxed view of the

# **Mount Charlotte**

KIO's intentions, saying they thought it unlikely the Kuwaitie would wish to make significant disposals in the current depressed equity markets. BU first became a shareholder

in Mount Charlotte in April, 1988. bought Thistle Hotels from Scot-

BIL acted as one of the sub-underwriters to the associated rights issue and lifted its stake in the group to 27 per cent. Mount Charlotte made pre-tax

profits of £25.9m on turnover of £127m in the six months to July £127m in the six months to July 28. Earnings were depressed, however, by its slow rate of property disposals. When the Thistle deal was struck, Mount Charlotte said it intended to sell properties worth £200m to reduce its borrowings, but has so far raised only £89m — largely because of the glut of hotels currently on the market. Lex, Page 18

## Prudential to sell Belgian arm to AGF for BFr9.4bn

By Richard Lapper in London and George Graham in Paris gian company which mainly

PRUDENTIAL Corporation, the UK's biggest life insurer, yester-day agreed to sell its Belgian gen-eral insurance subsidiary, Com-pagnia d'Assurance de l'Escaut, to the French insurer, Assur-ances Générales de France (AGF). France's second largest state owned insurance company, is to pay BFr9.4bn (\$290m), twice l'Escaut's annual premium

income in 1989.

We are beginning to concentrate our assets in areas where the long-term interests of our shareholders are best representations. sented," said Mr Newmarch, Prudential's group chief executive. Since its acquisition in 1972, l'Escaut, has "successfully built up substantial value," he added. said that the company was keen aut, has "successfully built up ubstantial value," he added.

L'Escaut, a medium-sized Bellaly and Ireland. Prudential will

writes household property and motor business, had net assets of £101.7m (\$186m) and recorded gross premium income of BFr4.7bn in 1989; however, it is peripheral to Prudential's core life and financial services businesses. Moreover, market condi-tions in Belgium had become much tougher recently, while Belgian reserving requirements and other local market practices meant that Prudential's "ability to repatriate dividends was lim-ited," Mr Newmarch said. He denied that Prudential was turning its back on Europe and

service the European market from London according to UK Analysts in London welcomed the sale. Mr Chris Pountain, analyst with Morgan Stanley, said it showed that Prudential "was pre-pared to divest assets if there is pared to divest assets it there is no promise of rewards". At twice l'Escaut's 1989 premium income, the price was described as "full" by Mr Pountain. "Prudential has been quite sensible taking advan-tage of the relics of Euromania and has got what is not a bad price," said Allan Nichoils, ana-lyst with James Capel.

lyst with James Capel.

AGF said that the addition of l'Escaut to its own AGF Belgium would create a group with

## SPP buys strategic stakes in financial group for SKr4.6bn

insurance company and the country's second largest share owner, yesterday announced a SKr4.6bn (\$796m) investment in the Gota financial group. The move anticipates legislation ending curbs on diversification by Swedish insur-

SPP is acquiring 40 per cent of the equity and 44 per cent of the voting shares in Gota through the purchase of stakes from Proventus, the Swedish investment company and Kansallis-Osake-Pankki, Finland's leading bank (KOP). The price for the shares

was SKr200 each. Within the next two years, Stockholm is expected to change to take place no later than July 1, 1992. By that time, it said, "legis-lative changes are expected to allow the transaction to be cona law which prevents Swedish insurance companies from acquiring more than 5 per cent of the votes in limited companies

SPP, the private Swedish other than insurance and property groups.
The ruling Social Democrats have indicated they are preparing legislation to remove the regula-tions which distinguish between the permitted activities of banks and insurance companies.

Yesterday's curious move indi-cates both SPP's optimism that the law will be amended shortly and a determination to make a pre-emptive move in what promises to be a highly competitive financial market. SPP, which handles public white collar pension funds, said it will pay for the shares on Friday, but the transfer of ownership is

Commercial co-operation between SPP and Gota will, how-ever, be initiated immediately, the group said.

SPP already owns 3 per cent of the voting shares in Gota and it will control about 48 per cent when the deal is finally settled.
Gota's management will remain
and a bid for the company's outstanding shares is not being con-

move to broaden the insurance company's activities into financial services, complementing its current strong position in the pension insurance market. Mr Gabriel Urwitz, the chief executive officer of the Gota group, welcomed SPP's increased stake. He emphasised that the

current co-operation with KOP in

SPP's purchase is seen as a



## Newton found that great ideas do grow on trees.

Newton was lucky. He was also smart enough to realise the gravity of his discovery. Developing our 4M DRAM semiconductor, although difficult, was a lot more down to earth. But we immediately recognised a world of development is proof that we're willing uses. That's why you'll find this brilliant chip, capable of holding 16 pages of newspaper text, at the very core of computers,

medical and office equipment around the globe. An example of how we at Toshiba are putting intelligent technology to practical use.

Our dedication to research and to work hard to improve the quality of life around us. We're planting the seeds for a better tomorrow.

In Touch with Tomorrow TOSHIBA

### **IFI** profits for year rise 52%

ISTITUTO Finanziario Industriale (IFI), the financial holding company of the Agnelli family, announced a net profit of Li66.9bm (\$141m) in the year ended March 31, up 52 per cent from a year earlier, Agencies remort.

report.

IFI, which holds about 45 per cent of Fiat, Italy's largest industrial group, through direct and indirect shareholdings, also said it would raise its dividend by 165 to 1815. dividend by L65 to L315 an ordinary share and L365 a pre-ferred share.

At the IFI shareholders'

meeting in Turin, Mr Giovanni Agnelli, Fist chairman, said an announcement could be expected soon about talks between the Italian carmaker and

MCanal Plus, the French pay television company, said its first-half net profit after payments to minority interests grew 24 per cent to FF1504m (\$94m) from FFr405m for the

same period a year ago.

The group also announced that it expected full-year net tearnings to grow 14.4 per cent to FF1670m, despite a recent decision to postpone the planned distribution of new decoders to customers until

Mordbanken, the Nordic region's largest commercial bank group, has announced a 1 per cent improvement in prof-its to SKr2.34bn (\$404m) for the first eight months of the year despite a 13 per cent setback to SE(1.33ho for the bank alone.

The main cause for the downturn at the bank was the large growth in credit losses. For the group as a whole these more than doubled to SKr96tm in the eight months: for the bank they rose by 51 per cent.

MCIE, Mr Carlo de Benedetti's main industrial holding com-pany, said first-half parent pany, said inst-half parent company net profit rose to 138.5m (\$75m) from 181.2hn, while group pre-tax profit slipped to L118.5hn from 1.124.5hn.

CIR said the lower first-half group result was mainly due to different criteria used to consolidate CIR's indirect stake in

solidate CIR's indirect stake in

## Rodamco suspends policy of trading in own shares

RODAMCO, the Netherlands' largest property investment fund, effectively transformed fund, effectively transformed itself from an open-end into a closed-end fund yesterday, following the suspension of its long-standing policy of trading in its own shares to keep its share price roughly in line with net asset value.

The fund, which took over Haslemere Estates of the UK in 1986 and failed in a hid for Hammerson last year, is part of the Rotterdam-based Robeco investment group.

investment group.

It said it had changed its policy after being forced to spend F123bn (\$13bn) over the past nine months to repurchase more than 20 per cent of its outstanding shares.
To stem the outflow, Rodamco has halted its previous "voluntary" policy of share repurchases until further notice. Its statutes allow the

fund to suspend the buying in of shares in exceptional cir-

suspended yesterday morning and is due to resume tomor-row, when the share price will reflect market forces instead of the company's daily calcula-tion of net asset value. On Fri-day. Rodamco closed at Fl 73.30, a 12-month low. Yesterday's surprise amountement contributed to the negative sentingst on the

the negative sentiment on the Amsterdam bourse, where traders were forecasting a drop in Rodamco's share price when

m Rodance's snare price when trading resumes.

Mr Pieter Korteweg, chairman of Robeco, said the decision would not affect the Robeco group's other open-end investment funds, such as the Robeco and Rolinco share funds or the Rorento bond fund. Unlike a share or bond fund.

Rodamco is not in a position to

liquidate investments quickly and easily to free money to buy of shares in exceptional cir-cumstances.

Trading in Bodamco on the Amsterdam bourse was properly funds in the world,

said the decision reflected a said the decision remerced a downturn of interest in prop-erty investment caused by the Middle East crisis, high inter-est rates and negative publicity surrounding US property fol-lowing the savings and loan (thriffs) problem

(thrifts) problem.
Two other options open to Rodanco — borrowing funds at high interest rates or selling property in a difficult market — would not have been in the best interests of shareholders, be said.

Mr Korteweg said Rodemen would examine what its future policy on the buying in of shares should be once the current malaise in property vestment came to an end. Rodamco still had some Fi 500m in short-term liquidity, more than enough to meet its obligations, Mr Korteweg said. Rodamco was conservatively financed, with long-term bornowings of only Fi 700m com-pared with total assets of more than Fi 9bn, he added. World Stack Markets,

### P&G ready to link paper products arm with Fater

By John Thornkiil

THE emergence of the single European market has led to a consolidation of the nappy market, as Procter & Gamble announced yesterday it intended to merge its paper products businesses in Italy, products businesses in Italy, Spain, Portugal and the UK with those of the Fater group, a privately owned Italian com-

A new jointly controlled company is to be set up in Raly which will manage Fater's interests in sanitary napkins, baby dispers and adult incontinence products and P&G's Pampers nappy operations.
No financial details of the proposed deal were released

puteriay. The combined group will however, become a form player in the market since P&G already lays claim to a third of the total European market for paper and cloth dis-pers, while Fater, through its Lines brand, is estimated to have a market share of nearly 10 per cent.
In the UK, P&G will integrate the Fater-owned Swaddiers company — which uses
the Togs and Cares brand
names — with the Pampers
business. This move will strengthen

P&G's position in the UK mar-ket. Last month, P&G also smnounced it was to develop a multi-million plant in Trafford Park, Manchester, to expand its production of Parapers dis-possible nappies. In Spain and Portugal

Fater's Ausonia and Lepori businesses will join with P&G's Arbora business, which is jointly controlled by the Agrolimen group.

The merger will also help to expand P&G's interests in the feminime sanitary naphin and

adult incontinence products Previously, P&G has had only a limited presence in these markets in Greece, Bel-gium, Spain and Portugal.

with the second of the second

Metsä-Serla to dispose of panel products unit By Ensique Teasieri in Heisinki

METSA-SERLA, Finland's METSA-SERLA, Finland's third largest forest group, will sell its panel products division to Finnforest, a new company which will be owned 90 per cent by Metsä-Serla.

Metsä-liitto, the forest owners' co-operative, is Metsä-

ers' co-operative, is Metsä-Serla's largest shareholder. The value of the transaction was between FM300m and FM400m. Finnforest's annual sales will be FM700m (figure). Metsä-Seria, which has also been hit by a global downturn in the forest industry and by large investments made earlier this year said the sale would this year, said the saje would allow it to concentrate on its core areas, which include qual-

core sress, which incline quasity papers and paperboards.
Failing pulp prices will force lettle Seria temporarily to stop pulp production at a mill in Mänttä, which produces some 75,000 townes of dissolving and other with mades.

#### Two banks in Malaysia agree to merger

By Lim Slong Hoon

UNITED Asian Bank and Bank

UNITED Asian Bank and Bank of Commerce, two Malaysian banks, have agreed to merge, creating the country's fifth largest in terms of shareholders' funds.

The deal is the last stage in the rescue and restoration to private ownership of United Asian, one of eight financial institutions bailed out in recent years by Bank Negara, the central bank.

Bank Negara and Missan

the central bank.

Bank Negara paid M\$458m (US\$170m) in 1888 to rescue United Asian; it now owns 78.5 per cent which is to be acquired by Bank of Commerce under a share swap scheme.

United Asian, with M\$4.1hu is attack, is reported 14 times.

United Asian, with M54.1bm in assets, is roughly 1% times the size of Bank of Commerce. But United Asian reported accumulated losses of M5379m last December, while net shareholders' funds stood at M5163m compared with its capital base of M557m.

Banking mergers are rare in Malaysia, but the deal has received backing from the Finance Ministry. To help fund a raidly up notice and to deal with new capital adequacy requirements, the ministry has argued that fewer but higger players are nacessary in the financial sector.

The merger adds United Asian's retail hunch network to Bank of Commerce's main activities of merchant banking, stockhoking, leasing and recognity treat

property trust.

The deal is a further indication of the gathering strength of Renoug, the holding company for the business empire of the United Malays National of the United Malays National Organization (Umno), the country's main ruling party. Bank of Commerce will surrender its banking licence, thus becoming an investment holding group controlling the merged entity of Bank of Commerce Bank and United Asian.

Asian.
Three major shareholders will emerge from the exercise: Renong, Sanwa, Japan's fifth largest commercial bank, and the Malaysian cantral bank.
No valuation was given for the deal.

## Dumez comes uneasily to Lyonnaise des Eaux

George Graham examines the new group's future

SHAREHOLDERS of Lyonnaise des Eaux, the French water services company, and of Dumez, the construction company, yesterday voted through plans for a merger which would create one of France's largest industrial groups, with expected sales this year of FFr82bn (\$15.5bn), a workforce of 110,000 and a market capitalisation of more than FFr21bn, even at today's low share

Since the merger plans were announced in July, there have been rumours of unrest among shareholders, especially some members of the Chanfour family, which currently controls Dumez, who have regretted a merger in which their company will clearly be the junior

But Mr Jérdme Monod, the chuckling but hawklike chair-man of Lyonnaise des Baux, and Mr Jean-Paul Parayre, his opposite number at Dumez and a member by marriage of the Chaufour family, have suc-ceeded in overcoming most

"I have tried to explain to our shareholders that this is not the disappearance of Dumez, but its mutation," Me

Parayre says.

The deal has required some explanation, for Mr Monod had repeated for years that he did not want to take Lyonnaise into construction. Now, he says that it is the construction business which has changed, rather than his strategy, adding that there is a world of difference between buying a construction company and

merging with one.

Both he and Mr Parayre insist on the importance of the cheme they have adopted: a merger appears in many ways like a paper offer, with Dumez shareholders receiving four Lyonnaise shares for every three Dumez they hold, but, unlike a paper offer, sharehold-ers may not refuse, once the plan has received a two-thirds majority in an extraordinary

general meeting.
"A merger is much more fruitful and profound for us than buying a construction company, and I think it is more interesting for Dumes, too, than if it were to buy 20 or 30 per cent of a services group.

PINAULT, the largest French timber and wood products group, plans to offer six of its shares for every five shares in trading and distribution group Compagnie Française de l'Afrique Occidentale that it does not own, writes George Gran

ber, built it to 20.1 per cent in February and now owns 33.1 per cent. A boardroom coup gave Pinanit chairmanship of a group which had tried to get away from its core business in Africa. Pinault first took a 9 per cent stake in CFAO last Novem

Market sources said the terms of the offer would represent a premium for CFAO shareholders of about 37 per cent over Friday's closing price of FFr369 a share.

We won't be working separately, we will have one single vision," says Mr Monod, adding that a merger also has the advantage of avoiding spend-ing any cash.

The change in the nature of the business, according to the two bosses, is the development of turnkey projects — the alli-ance of Duner's construction capability with Lyonnaise's expertise as a manager of con-cessions from municipalities and regional authorities.



spending any cash

Dumes's subsidiary, GTM, is already on this route, and is France's largest car park manager, but Dumez itself is becoming increasingly involved through toll-financed transport projects such as the A86 urban motorway and the Fourvière tunnel at Lyons.

This counds just the cort of ingenious logical construction France's highly educated business executives tend to dream up to justify their instincts, but it appears more convincing in the new group's overseas expansion, where the size fac-

the first of the state of the state of

tor also comes into play.

Mrs Christine Morin-Postel, ho has spearheaded Lyonwho has spearheaded Lyon-naise's international expansion, comments that Lyomaise has moved from targeting medium-sized towns to cities of 2m to 3m inhabitants.

"The teams are higger, the

financial engagement is bigger, Alone, we cannot respond." After the UK and Spain, where Lyonnaise has already acquired a significant presence in the water and town cleaning businesses, Mrs Morin-Postel hopes soon to be able to announce advances in Italy

and Germany. Together, the two companies hope that they will be able to offer closely co-ordinated solutions to infrastructure needs around the world, especially in areas such as Asia, where Lyonnaise and GTM are expected shortly to announce a major water piping project in Malaysia.

The merger will, however, involve a complete rethink of some of the more peripheral stakes held by the two comps-nies, diversifications which may now be viewed as less use-ful for the combined group's

Mr Monod and Mr Parayre refuse to say what specific plans they have for stakes such as Vallourec, the steel tube group in which Duncez is a key shareholder; M6, Lyonnaise's loss-making television channel; or Havas, where Lyonnaise has a profitable but non-strategic

In the short term, the group is forecasting 1990 net profits of around FF1.5bn — a 23 per cent advance in earnings per share from last year's retreated figure of FF126.9.

For 1982, Mr Monod has set an objective — but not, he invisits a five-cent of FF126.9.

insists, a forecest — of FFribu.



### LOCAL EXPERTISE. INTERNATIONAL NETWORK.

has been one group of European to over 100 professional advisers. European transactions than any corporate finance experts who have been working on their own European centres. innovative ideas for cross-border corporate finance, developing a thoroughly tried and tested in the expanding your business base in pan-European network of local market place. As a result of the Europe, call John Cutts at offices coordinated through close working relationship Samuel Montagu on

Samuel Montagu in London. This "multi-domestic"

STOCKHOLM

ZÜRKH

Over the last few years there approach gives our clients access probably advised on more established locally in the major of our competitors over the last

Our strategy has been If you are interested in between all our offices on both (0) 71-260-9000 and we'll get EC and EFTA Member States, we the Network working for you.

SAMUEL MONTAGU & CO. LIMITED

10 LOWER THAMES STREET, LONDON ECSR GAE

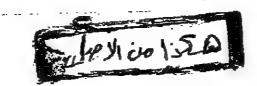


the mein feature of the second balf of the year, will be incre exampetation arising from the addition of new boost rooms is Kong. This will bring couch

SIMON ICESWICK, Cha

	(Unaud Six mond) 30th )	as ended	Year caded Slut Decemb		
	1990 US\$ million	19 <del>89</del> US\$ million	1989 USS million		
Turnover	60.8	66,7	127.8		
Operating profit Share of profits less	19.4	25.9	49.6		
lones of associates	7.1	5.3	11,8		
Profit before taxation Taxation	26.4	31.2	61.4		
<ul> <li>Company and subsidiaries</li> <li>Associates</li> </ul>	(L7)	(5.2)	(7.8)		
	(2.1)	(15)	(3.2)		
Finale efter exercics	22.6	24.5	50.4		
Mistority interest		(0.1)	(0.1)		
and minority interest Extraordinary items	22.6 19.5	24.4	50.3		
Profit attributable to					
shareholders	42.1	24 <i>A</i>	50.3		
Dividends	(9.5)	(9.5)	(33.8)		
Transfer to reserves	52.6	14.9	16.5		
	US#	USc	USc		
Earnings per share	3.34	3.62	7.44		
Dividends per share The Acrount have been prepared in Units	1.41	1.41	5.00		

MANDARIN ORIENTAL THE WORLD'S FINEST HOTELS



#### INTERNATIONAL COMPANIES AND FINANCE

## Nurturing the Brookfield fledgling

### Bernard Simon on challenges for a new-born Canada property group

ny real estate developer willing to press on with North America's biggest commercial construction programme needs a cool head in a climate of rising yearner rates for the construction of rising vacancy rates, ferocious competition for tenants and nervous bankers. Shareholders and creditors of Brookfield

Shareholders and creditors of Brookfield Development Corp also require a strong stomach as the Canadian property giant forges ahead to complete a huge 6.2m sq ft office and shopping complex in Toronto, Chicago, Minneapolis and Montreal.

The Reichmann family of Toronto, which made its fortune by buying office buildings when others were selling, sent an unsettling signal to the market last week with the announcement that it planned to self a 20 per cent stake in its

planned to sell a 20 per cent stake in its vast US portfolio.

Brookfield's challenge is compounded because it is technically bankrupt. It has gone through two bail-outs, three names and endless negotiations with bankers and suitors over the past decade.

Brookfield - previously known as BCE Development and before that as Daon Development – bears more than a passing resemblance to Dome Petroleum, the crippled Calgary energy giant which collapsed into the arms of Amoco Petroleum in 1987.

Brookfield's parent company, still known as BCED, had a shareholders' deficiency of C\$72m (US\$63m) at the end of

The Control of the Co

, etc. 3<u>2</u> 324

1 100

After a C\$550m writedown in asset values, its accumulated deficit reached a towering C\$693m in mid-1990. It no longer pays dividends on its preferred shares, and has warned debenture holders that they may need to make sacrifices too. From a peak of C\$18.50 in Daon's heyday in 1979, the share price has slid to a paltry 14 cents

on the Toronto Stock Exchange.

BCED and Brookfield are being kept affect by its main shareholder, Montreal communications conglomerate BCE, supported by Toronto real estate holding company Carena Developments.

Mr Gordon Arnell, chief executive of Brookfield, is confident that a business and financial restructuring followed by a recovery in the commercial property mar-ket will enable Brookfield to emerge within the next few years as a strongly capitalised company with C\$3bn worth of blue-chip office blocks and shopping malls in gix US and Canadian cities.

"It's going to be a very patient exercise," said Mr Ross Cowan, analyst at the securi-

ties firm Levesque Beaubien Geoffrion in Toronto. But in an echo of Mr Arnell's confidence, Mr Cowan notes that Brook-field has "extremely good buildings, long

Mr Arnell is one of the "corporate work-out" specialists who run the complex web of companies — of which Carena is one — controlled by Toronto's Bronfman

Carena is the Bronfmans' holding company for a slew of hig Canadian develop-ers, including Bramalea of Toronto (which specialises in homebuilding) and Trizec Corp of Calgary. Carena entered the BCED picture last year, after two abortive attempts by BCE to officad its crippled real estate subsidiary to Reichmann-owned Olympia & York Developments.

Although BCE still owns 67 per cent of BCED, Carena has taken over management of the company and has joined BCE in providing a secured loan of up to C3500m, which ranks ahead of the deben-

BCE's role in BCED's problems has raised numerous questions about manage-ment competence and timely disclosure on the part of the Montreal conglomerate. The battle to put Brookfield securely on

its feet is taking place on two fronts - its property portfolio and the company's fin-ancing arrangements. Brookfield is trimming its portfolio with

the aim of selling 80 per cent of its non-core holdings by the end of 1991. It will then concentrate on office and retail prop-erties in Toronto, Montreal, Chicago, Min-neapolis, Denver and Los Angeles. Among the assets recently sold are a Miami condominium, a hotal and other presents of land minium, a hotel and other parcels of land in California. The Vancouver office has

Brookfield has also wrung some concessions out of the US life insurers and other institutions which financed four particularly troublesome buildings where income streams are not keeping pace with costs. These four projects — for example, the 56-storey, 1.2m sq ft Republic Plaza, Denver's tallest office block — had a negative cash flow of C\$40m last year. Republic Plaza in Denver is about 70 per cent-

Mr Arneil said the lenders had agreed to accept only as much income as the four buildings were generating. The next step is to persuade them to substitute equity in the projects for some of their loans. The immetal restricturing in essence involves shifting the centre of gravity of the group from the present listed company, BCED, to a "clean" Brookfield. The secured loan, provided by BCE and Carena to BCED viz Brookfield, will be converted into Brookfield equity at the time of a rights issue scheduled for July or Angust

Other common and preferred shareholders in BCED, as well as debenture holders, will then have an opportunity to invest directly in Brookfield. BCED's only remaining holdings will be tax losses (currently in Brookfield.)

rently more than C\$700m) phis non-core
assets still on the block.

Brookfield has lined up financing commitments from four Canadian banks as
well as Citibank for the C\$2.2m of new projects now under construction. The company is also in the closing stages of arranging a C\$250m operating credit with banks to tide it over continuing shortfalls in rental income.

Mr Arnell is confident that once the restructuring is complete, Brookfield will have positive income and cash flow from its portfolio of blue-chip assets. By common consent, the projects under construc-tion include some of the best-located and most eye-catching buildings in cities such as Toronto and Chicago.

wo big risks remain, either of which could push Brookfield down the same slippery slope as Dome Petroleum. A further slide in office rentals could undermine Brookfield's financial projections, forcing it either to ask for more concessions from leaders, or to sell some of its jewels.

The unexpectedly weak market has already led Brookfield to revise projections for some of the buildings, giving itself an extra year to reach profitable leasing lev-

Further pressure on US and Canadian banks to narrow their exposure to real estate would hurt Brookfield. "Tm afraid the banks may create a situation of signifi-cant illiquidity," Mr Arnell said. "The real estate industry needs credit."

Even if all goes well, Mr Arnell acknowledges that it could take 5-7 years before Brookfield makes a full recovery from the legacy left by Daon and BCED. But chances are that existing equity and debenture holders will in the end have little to show for their patience. This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities.

NEW ISSUE

\$1,250,000,000

Standard Credit Card Trust 1990-7 8.875% Class A Credit Card Participation Certificates

> Citibank (South Dakota), N.A. Seller/Servicer

Citibank (Nevada), National Association



The price is 99.910% per Certificate, Interest is payable semiannually commencing March 11, 1991. The Expected Final Payment Date of the Class A Certificates is October 12, 1993.

August 30, 1990

Citicorp Investment Bank Limited Memil Lynch International Limited

Credit Suisse First Boston Limited Daiwa Europe Limited Goldman Sachs International Limited Kidder, Peabody International Limited Lehman Brothers International J.P. Morgan Securities Ltd. Nomura international Salomon Brothers International Limited UBS Phillips & Draw Securities Limited

**BNP Capital Markets Limited** IBJ international Limited Puribas Capital Murkata Group Swiss Bank Corporation Investment Banking S.G. Warburg Securities

Citibank, N.A. Merrill Lynch Capital Markets

Daiwa Securities America Inc.

The First Boston Corporation Goldman, Sachs & Co. Kidder, Peabody & Co. Incorporated Lehman Brothers J.P. Morgan Securities Inc. Nomura Securities International Inc. Salomon Brothers Inc. UBS Securities Inc.

Chase Securities, Inc. Chemical Securities, Inc. PaineWebber Incorporated Prudential-Bache Capital Funding Inc. Smith Barney, Harris Upham & Co. Incorporated

## Corroon offers dividend sweetener

By Nikki Tait in New York and Richard Lapper in London

CORROON & Black, the US insurance broker lined up to merge with Britain's Willis Faber after would-be rival bid-der, Aon Corporation, with-drew from the fray on Friday, is offering its shareholders a dividend "sweetener" if the Willis deal goes ahead.

day. Corroon directors agreed to declare a \$2.50 a share spe-cial dividend, to be paid 15 days after completion of the Willis merger, it will cost Corroon about \$50m in total and Willis has agreed to its pay-

Yesterday, Corroon was tight-lipped about the pres-

By Nikki Tait in New York

DELTA AIR Lines, the third largest US carrier and widely considered to be one of the

industry's strongest players, yesterday warned that first-quarter figures for the three

months to the end of Septem-ber would be "significantly worse" than in the same period

Delta blamed the downturn

on the sharp escalation in fuel

brices, saying it was now paying 94 cents a gallon for jet fuel, a increase of 64 per cent from July levels. It also cited the "current condition of the

In the first quarter of 1969, when Delta benefited from the troubles at its strike-hit rival,

general economy".

sures which had triggered this largesee. However, Mr Robert Cuthbert, the company's chief financial officer, said it was designed to "facilitate the

transaction".

He declined to comment on whether there had been pressure from individual shareholders, adding only that the payment aimed "to get every-one's focus back on this trans-

Baring Brothers, the mer-chant bank which has advised Willis, said the dividend had been offered to assist "prompt-implementation" of the merger and help settle outstanding liti-

Delta Air warns of decline in quarter

record \$133.1m after tax. Deita's forecast, made in a

Esstern Air Lines, it made a

formal statement, comes hot

on the heels of a prediction from Mr Bob Crandell, chair-

man of American Airlines, that first-half results for the US's

biggest carrier would be "stinko".

Both warnings indicate the pressures which the industry, flush with overcapacity, fluds

itself under as costs rise and the capacity to push through fare increases is limited.

On this latter score, some relief approached yesterday as the Washington-based Depart-

ment of Transportation approved the US airlines'

The dividend will offset the mot that a deterioration in Wil-lis' share price recently has made the Willis offer less attractive to Corroon shareholders, according to Barings. However, even with the special dividend payment, shareholders will not match the \$40-awas offering prior to its depar-

ture last week. The all-share offer from Willis gives Corroon shareholders 7.8 Willis shares for each Cor-roon share held, which — with Willis trading 8p lower at 20th Willis trading 8p lower at 20th yesterday — is worth about \$29.95 per Corroon share on current exchange rates.

request for a range of interna-tional fare increases.

Despite deregulation of the

industry, such approval is still needed and if the increases can

become effective, other nations must give similar blessing.

The agreement covers a sur-charge of 7 per cent on most

US-Europe passenger fares, "in order to offset recent increases in fuel price caused by the recent crisis in the Middle Rast", and surcharges on pas-

senger fares and cargo rates

flights emanate from or arrive in the US, the increase will

also be 7 per cent in most

Air France in

On the latter score, where

#### Newmont Australia in bid battle

A POTENTIALLY hitter bettle has broken out over the future of Newmont Australia, whose main assets are majority holdings in the Telfer and New Celebration gold mines in West-Gooding. Newmont Australia said yes-

Newmont Australia said yea-terday it planned to merge with BHP Gold Mines, 56 per cent-owned by Broken Rill Proprietary, Australia's larg-est industrial group, via a one-for-two share offer. The com-bined company would be Aus-tralia's second-largest gold producer after Western Min-ing, have a market capitalisa-tion of more than Allbn tion of more than A\$1bn (US\$833m) and annual gold

output of 750,000 troy ounces.
Poseidon Gold, part of Mr
Robert Champion de Cres-pigny's Normandy-Poseidon group, has made an A\$825m bid for Newmont Australia, offering one Poseidon Gold share for two of Newmant.

Mr de Crespigny, executive chairman of Normandy-Posei-don, made clear in London yes-terday that his company intended to go shead with the offer for Newmont Australia which, if successful, would transform Poseldon Gold into one of the largest companies of its kind outside South Africa. He said that Poseidon Gold owned 19.99 per cent of New-mont Australia, and said: "We tarted a few years ago to build an international-class gold company. Newmont Australia shareholders will have to make up their minds whether they want to be with a company with plans for growth and which intends to become a major international player or one where the par-ents are great companies but are diluting out of the busi-

deal with USAir AIR France, the state-owned airline, has signed a commer-cial agreement with USAir, one of the leading US domestic air-lines, aimed at boosting

co-operation on transatiantic routes, writes George Graham. The French national flag carrier will conclude a reciprocal blocked space agreement cov-ering USAir's Philadelphia-Paris flight and one of its flights from Paris to a USAir hub in North America

The airlines will also har monise their schedules and set up "through check-in" proce-dures to ease connections between flights. This may be backed up by "code sharing" agreements allowing the use of a single flight number for a route which includes a stop -over, even if the two legs of the trip are flown by different

Nearly 99 per cent of USAir's traffic is within the US, where it ranks first by number of

Newmont Mining, the big-gest gold producer in North America, 19 months ago cut its stake in its Australian associstate in a Australian control
ate from 70 per cent to just
more than 43 per cent. With
the sale of more shares to
Poseidon, the US group now
owns about 23 per cent. It said it supported the proposed merger between Newmont Australia and BHP. The Newmont Australia share price closed at 95 cents yesterday so the offer values each BHP Gold share at 49 cents (against 48 cents at yesterday's close) giving the company a market value of A\$475.3m.

on full acceptance of the offer, BHP Gold shareholders would own about 42 per cent of the enlarged capital of Newmont Australia and BHP's holding would be 23.1 per

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE

\$155,000,000

Standard Credit Card Trust 1990-7 9.125% Class B Credit Card Participation Certificates

> Citibank (South Dakota), N.A. Seller/Servicer

Citibank (Nevada), National Association



The price is 99.855% per Certificate. Interest is payable semiannually commencing March 11, 1991. The Class B Expected Final Payment Date is December 10, 1993.

August 30, 1990

Citibank, N.A.

Citicorp Investment Bank Limited

Merrill Lynch Capital Markets

Merrill Lynch International Limited

Goldman, Sachs & Co.

Goldman Sachs International Limited

Johannesburg Consolidated Investment Company, Limited (Incoperated in the Republic of South Africa) Registration No. 01/00429/06

namel general receipe of ordinary shouholders of Johan any, Limited will be held in the board room, Consultated s, Johannariung on Wednesday, 24 October 1990 at 12 non

CORRECTION NOTICE RIGGS NATIONAL CORPORATION US \$60,000,000

PLOATING RATE SUBORDINATED NOTES DUE 1996 In accordance with the provisions of the Notes, notice is hereby given that for the period 20 September 1990 to 20 December 1990 the Notes will carry a rate of interest of 87/16% per amount with a coupon amount of US\$213.28. CHEMICALBANK As Agree Benk

CB FUND INTERNATIONAL ssement à C R.C. Luxembonry B 21603 NOTICE TO SHARKHOLDERS

The Board of Directors of CB Fund International in their meeting held on 12th September, 1990 have transmously decided to suspend definitively the quantition of the shares of CB Fund International on the Luxasubsung Stock Exchange from 25th September, 1990 hourg, 20th September, 1990

The Board of Direct



Interim Report Highlights 1990

## Hongkong Land

- Earnings per share
- Dividend per share
- Investment properties valued at US\$5.65 billion
- Portfolio 98% leased
- Full listing sought on The International Stock Exchange, London

"The Directors believe that the Group's income from properties should continue to benefit from positive rental reversions over the next 12 months."

SIMON KESWICK, Chairman 21st September 1990

	Six :	(unaudited) Six months ended 30th June						
	1990 US\$ million	1989 US\$ million	1989 US\$ million					
Turnover	176.9	131.4	287.3					
Operating profit	174.8	122.8	274,4					
Other income	0.7	0.1	0.3					
Financing charges	(28.0)	(10.6)	(53.2)					
Profit before taxation	147.5	1121	221,5					
Taxation	(17.9)	(13.8)	(28.4)					
Profit after texation	129,6	98.3	193.1					
Dividends	(70.1)	(51.7)	(157.3)					
Transfer to reserves	59.5	46.6	35.8					
Earnings per share	US# 8.10	3,86	7.61					
Dividends per share	US¢ 2.75	2.05	6.15					
Net asset value per share	US\$ 1.90	N/A	2.00					

ng Land Holdings Lim



eptember 24, 1990

All these Notes having been sold, this announcement appears as a matter of record only.

Finansförvaltning AB

DM 300,000,000 Floating Rate Notes 1990/94

> WESTDEUTSCHE LANDESBANK GIROZENTRALE

ALGEMENE BANK NEDERLAND N.V.

BANK BRUSSEL LAMBERT N.V.

BAYERISCHE LANDESBANK GIROZENTRALE

BREMER LANDESBANK

DEUTSCHE GIROZENTRALE - DEUTSCHE KOMMUNALBANK -

DSL BANK DEUTSCHE SIEDLUNGS- UND

LANDESBANK RHEINLAND-PFALZ

LANDESRENTENBANK

- GIROZENTRALE -

SÜDWESTDEUTSCHE LANDESBANK GIROZENTRALE

UNIBANK A/S

Ente Nazionale per l'Energia Elettrica (ENEL)

Yen 10,000,000,000

Guaranteed Floating Rate Notes due 1992

For the six months 28th September, 1990 to 28th March, 1991

dance with the terms and conditions of the Notes notice is hereby given that the rate of inten-has been fixed at 7.96 per cent. per amum and that the interest psyable on the releval Psyment Date (as defined in the terms and o being, 28th March, 1991 against Coupon No. 7 will be Yan 394,223.

> The Saitama Bank, Ltd. **Agent Bank**

IN THE HEART OF MANHATTAN The Lombardy Hotel

Off Park Avenue 111 East 56th Street New York, N.Y. 10022

Newly Renovated Luxurious Short or Long Term Rentals
All Humi Services

The Laurent — 3 Star Restauren Phone: 212-753-8600 Fax: 212-754-5683

Toll Free: 1-800-222-6254 **Jombardy** 

NEW YORK

FINLAND The Financial Times proposes to publish this

survey on: 15th November 1990

For a full editorial synopsis and advertisement details, please contact: eter Soremen, Salomouka 17A 29 90190 Helsinki,

or write to Chris Schanni or Kirsty Sanuders at:

Southwark Bridge London SE1 9HL Tel: 071 873 3428/4823 Fax: 071 873 3079

**FINANCIAL TIMES** 

#### INTERNATIONAL COMPANIES AND FINANCE

## Charges add to Goodman Fielder loss

By Kevin Brown in Sydney

GOODMAN Fielder Wattie, the Australasian food group, yes-terday announced a bigger than expected net loss of A\$85.6m (US\$71.3m) for the year to June 30, struck after abnormal losses of A\$202.7m. The scale of the abnormal loss surprised the market, which had been expecting a net loss of up to A\$60m, compared to a net profit of A\$317m after abnormals last year.

However, the group said it had decided to make provisions against all its non-core investments to clear the way for a recovery based on organic growth in its core activities.

Mr Michael Nugent, chief executive, said the board recog-nised that its non-core investments had performed poorly, and that only "prudent accounting treatment" would

remedy the problems they had caused for the group. "These provisions had to be made in order to allow the underlying financial strength of the group and its future profits to be clearly under-



Pat Goodman: scale of the

the group should therefore be free from financial impedi-ments or issues arising from previous non-core investment activities," Mr Nugent said.

The biggest provision was for A\$81.1m against the group's 49 per cent holding in Barcora, the vehicle for an executive share scheme, which owns 9.8 per cent of Goodman. The bal-

ance of Barcora's shares are owned by a trust controlled by Goodman executives.

The provision reflects a reduction in the value of the group's holding in Barcora, caused by a fall of more than A\$1 in Goodman's share price

over the last year.

The group also wrote off its
A\$60m investment in Harlin Holdings, the private company controlled by Mr John Elliott which is the main shareholder in Elders IXI, the Australian brewing and jam group. The investment was held indirectly through Bamis Finance.

The other main components of the abnormal loss were a provision of A\$43.2m relating to rationalisation costs in Australia and New Zealand, and losses of nearly A\$40m arising from the group's abor-tive attempt last year to take over Industrial Equity Ltd

The takeover bid, worth A\$1.8bn in cash and shares, was part of a deal agreed between Mr Pat Goodman,

Ron Brierley, the New Zealand entrepreneur, who had decided to sell his Australian interests. However, the deal was over-

taken by an attempted man-agement buy-out of IEL, which also failed. Goodman eventually sold its 20 per cent stake to Mr John Spalvins' Adelaide Steamship group, which now controls IEL.

Goodman said it had lost A\$18.8m on the disposal of IEL shares, and A\$19.7m in carrying costs. Goodman had earlier successfully fought off a \$1.3m hid from Ranks Hovis McDongall of the UK, for which the group had itself hid unsuccessfully in 1988. fully in 1988.

The group said profits were up 21.6 per cent to A\$200m before interest and tax, on turnover up 16.8 per cent to A\$3.5m. However, profits were down by 6.2 per cent to A\$117m after interest charges, taxes ınd minorities.

The board said the final dividend would be maintained at 6 cents, making a total dividend for the year of 11 cents, the

#### Kay Hian **James Capel** goes public By Joyce Quek

KAY HIAN James Capel

(KHJC), a venture between two of the oldest stockbroking firms in Singapore and the UK, is going public, despite a weak local stock market caused by the Gulf crisis and the launch last week of two other issues. KHJC is raising net proceeds of \$\$36m (US\$20.6m) from the offer of 83.2m shares at 75 cents each. The offer closes on October 8. The company's price-earnings ratio is 14.2 compared with 16.4 and 17.6 for last week's issues by GK Goh and Kim Eng Securities respec-

The directors forecast record pre-tax and after-tax profits of \$\$25m and \$\$18m respectively for the year ending December 31 1990. This compares with after-tax profits of \$\$13.1m for the nine months to December 31 1989 and S\$7.3m for the year

to March 31 1993.
For the half year to June 1996, KHJC carned after-tax profits of S\$11.1m. To meet its 1990 forecast, it requires sec-ond-half profits of SSm, which it believes is achievable based on the assumption of a daily market turnover of \$\$92m from leptember to December.

KHJC has an 8 per cent market share.

Part of the proceeds will be used to expand the group's business in Asia and Europe. Kay Hian was founded early this century by Mr Khoo Kay Hian. The London-based James Capel was set up in 1775. Mr Wee Be Chao, the eldest son of Mr Wee Cho Yaw and foundar of United Overseas Bank group, led a group which took over Kay Hian.

The younger Mr Wee is now KHJC's joint managing direc-tor with Mr George Ives of James Capel, which is owned by Hongkong and Shanghai Banking Corporation.

James Capel merged its stockbroking interests in Sing-apore by taking a 30 per cent stake in Kay Rian in June last year. It raised its holdings to 49 per cent in March this

After the public offer of vendor shares, the Singaporean directors and James Capel will each hold 37.5 per cent.

## Mandarin Oriental down 7.5%

By Angus Foster in Hong Kong

MANDARIN Oriental, the hxury hotels arm of the Jar-dine Matheson group, yester-day reported a 7.5 per cent drop in profits before extraordi-nary items. The company was affected by increased competi-tion and fewer visitors to Hong

Mandarin also announced it was following other companies in the Jardine Matheson group controlled by the Keswick family – by applying for a list-ing on the International Stock Exchange in London. The com-pany is also redenominating its share capital into US dollars and launching a sponsored American depositary receipts

Mr Robert Riley, managing director, said the moves would

provide greater liquidity for investors and give the company a more international pro-

file.

Mandarin said profits fell to US\$22.6m compared with USEM. On last time. Extraordinary profits from the writeback of provisions against associated companies lifted profits attributable to shareholders to US\$42.1m. The interim dividend was unchanged at 1.41 US cents.

Mr Riley said market conditions were tough, with several

tions were tough, with several luxury botels due for completion this year and next. Some Hong Kong hoteliers expect the number of rooms in the colony to increase by 40 per cent by the end of 1992. Visitor arriv-als, meanwhile, are stagnant

due to a slowing economy and fewer tourists following last June's crackdown in Peking. Mr Riley said, however, that the company was not heavily leveraged and had the financial

strength to ride out the down-He said the company had not been approached by Accor, the French hotel and restaurant group which has built up a 10 per cent stake in Mandarin Accor says it does not want to here's says it these not want to buy Mandarin, but might be interested in working with the company as part of the French group's expansion into

Mandarin's hotel in Thailand, the Oriental Bangkok, lifted interim earnings 12 per

## Pick 'n Pay advances strongly

By Philip Gawith in Johannesburg

PICK 'N PAY, South Africa's largest retail chain, has achieved increases in profit and turnover against a beckground of a stagnating econ-omy and difficult trading con-ditions in the six months to the

end of August. Turnover was 18.7 per cent higher at R2.44bn (\$949m) and pre-tax profits were 15.8 per

Mr Chris Hurst, financial director, said the company was particularly pleased with the increase in turnover. He attributed the slightly lower income figure largely to heavy

merkdowns in the textiles division. This was the result of of over-buying, and the company was required to take a loss to get rid of the stock.

Mr Hurst stressed that this

was a one-off, non-recurring item and that the group was bullish for the second six months. They were siming for a 20 per cent increase in pre-

tax profit for the year. A factor working in Pick 'n Pay's favour was that its two main competitors, OK Bazzars and Checkers, have suffered badly from industrial action in

probably picked up customers

Mr Hurst said the group was pleased to see a return on the heavy investment it had made in technology in recent years. Shrinkage in the food division, which accounts for 80 per cent of turnover, was one third lower than in the previous period. He anticipated further improvements in this area.

Earnings per share were up 15 per cent at 41.8 cents compered with 36.3 cents, while the dividend was lifted by 19 per cent to 12.5 cents per share from 10.5 cents.

## Shipper marks time in first half

By Joyce Quek in Singapore

NEPTUNE Orient Lines (NOL), Singapore's international shipper, has reported barely-changed halftime results.

Group turnover at S\$634.1m (US\$362.3m) for the six months to June was 3.9 per cent higher than a year ago, having been hit by losses on translation of transactions in foreign currencies. Group pre-tax profits rose 6.6 per cent to S\$37.5m, with interest expenses 3 per cent higher at S\$17.3m, partially off-

set by higher contributions from associates. However, the group is unlikely to match the \$\$80.5m

pre-tax profits of 1989, expect-ing instead to maintain the first half's profit level.

inst half's profit level. Mr Herman Hochstadt, NOL-chairman, said the worldwide uncertainty and higher oil prices caused by the Gulf crisis and the strengthening Singapore dollar were likely to affect the second-half performance. The energy bill for NOL's fuel-efficient fleet was \$\$90m in 1989, or 6 to 7 per cent of total operating costs.

operating costs.

The carrier hoped it would not be affected badly by higher bunker prices on the assumption that it was able to pass on

the full increase to shippers. The weakening of the US dollar against the Singapore currency resulted in a S\$24m paper loss, as the bulk of the carrier's earnings are in US dollars.

dollars. However, the stronger local currency also helped as two thirds of NOL's \$\$1bn loans and most of its operating

expenses are also denominated in US dollars. The conversion of 30m preference shares diluted the group's earnings per share from 5.55 cents to 4.82 cents in

## Siebe plc

through its indirect wholly-owned subsidiary Siebe Inc. has acquired

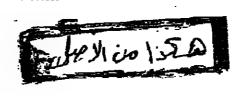
The Foxboro Company

The undersigned acted as financial advisor to Siebe plc in this transaction.

LAZARD FRÈRES & Co.

LAZARD BROTHERS & Co., LIMITED

September 19, 1990



been co-opted to the court of directors of Bank of Ireland, He

is an executive director of Uni-lever NV and Unilever Plc, and

is currently responsible for the group's food operations in Europe, Latin America and

Mr FitzGerald, who was born in Ireland, is a member of the board of Bank of Ireland

REMY & ASSOCIES, the dist-

ear, has appointed Mr Ralph

M. Browning as chairman.
Mr Browning joined Remy
Martin in 1976 as directeur
commercial, with responsibility for sales and marketing

around the world, based in Cognac. In 1982 he became managing director of Rémy Europe & Atlantic and then,

following its creation in 1987, managing director of Rémy & Associés.

SAUDI American Bank (SAMBA), the US Citibank's affiliate in Saudi Arabia, has

THE NEW YORK Mercantile Exchange has hired Richard J.

Henken as vice president of

He joins Nymex from A. T. Kearney, management consul-tants, where he was manager. Mr Henken has also worked for

Cahners Publishing Company and the Harris Trust and Savings Bank.

the US.

THE SUPERVISORY board of Credit Suisse has announced that Mr Hans Joerg Rudloff, a member of the executive board since January 1987, will resign from the board from the end of this year.

this year.

this year.

His responsibilities at Credit
Suisse will be transferred to Mr
Hans-Ulrich Doerig.

This will enable Mr Rudloff
to concentrate on his present
responsibilities as chairman
and chief executive of Financière Credit Suisse First Boston, as well as his new responton, as well as his new responsibilities as member of the Group Executive Committee of CS First Boston.

Through the newly formed joint venture, Credit Suisse Financial Products, Mr Rudloff will continue to be directly connected with Credit Suisse, and will contribute to strengthening the group's standing in the global financing business.

MR ERNEST Kaiser has been appointed senior vice president and head of the Geneva branch of Amro Bank and Finance, the wholly owned Swiss subsidiary of Amsterdam-Rotterdam

Mr Kaiser is an experienced private banker, formerly spending many years with Citi-bank N.A. and Credit Suisse in their Geneva offices.

MR ROMBO Van de Borch has joined Citibank as its country

corporate officer for the Netherlands.

Mr Van der Borch, 43, was most recently at Amro Bank NV, where he was executive vice president in charge of corporate hanking. porate banking.

MR CHESTER Crocker has MR CHESTER Crocker has joined the board of Minorco, the Luxembourg-quoted off-shoot of Anglo American Corporation of South Africa.

Mr Crocker served as a US assistant secretary of state for African affairs from 1961 to

1989 and was the principal US mediator of the 1988 Namible-

me is an international consultant on strategy and negotiation and holds the position of research professor of international rela-



Hans-Joerg Rudloff: resigning from board at Credit Suisse

tions at Georgetown Univer-

FORD MOTOR of Canada, 94 per cent owned by the US par-ent automotive group, has named Mr Ken Harrigan chair-man and chief executive offi-cer, effective October 1. He was previously president and CEO. The position of chairman was created recently, Mr Harri-

gan said: "I will be concentrating more on corporate activi-ties rather than day-to-day operations."

Mr James O'Connor will become president and chief operating officer. He had been general sales and marketing manager at Ford's parts and service division in Dearborn,

affiliate in Saudi Arabia, has named Mr Michael Chahine as New York representative, succeeding Mr Peter Eliot.

From SAMBA's representative office in New York, Mr Chahine will act as chief liaison for the bank's US corporate customers who do business in Saudi Arabia and Turkey, and assist Saudi and Turkish clients who invest in the US. VAN OMMEREN Cateco, the Dutch transport and trading group, is to have a new chair-He was formerly vice president in Citibank's private banking division in the South-Central region, based in Chicago. Since joining Citibank in 1980, he has held senior positions in Saudi Arabia. man of the board of management from the beginning of next year. He is Mr Carel van den Driest, who will succeed Mr Wim Brouwer on his retire-

Mr van den Driest, 42, joined Van Ommeren in 1974 and was elected to the board of management in 1988, having been managing director of Van Ommeren Rotterdam and Van Ommeren Terminal Singa-

#### Austrian bank names new deputy chairman

GIROZENTRALE Vienna, Austria's second largest bank, has announced important management changes to be effec-tive from November 1.

Herbert Lugmayr will become deputy chairman of the managing board, while Helmut Jell will take over as executive vice president and member of the management board. Fritz Anton, senior vice pres-

ident and present head of inter-national division one, will be the new treasurer.

The bank is merging its two international divisions, and has appointed Anton M. Burghardt, senior vice president and current head of international division two, as head,

Mr Anton will report to Herbert Lugmayr.

MOTOROLA, the radio-telephone systems group, has announced that John M. Scanlon will join the group as vice president and general manager of the cellular infrastructure

Mr Scanlon, 48, is currently chief operating officer of the Cambridge Technology Group, of Cambridge, Massachusetts. Before that, he spent more than 23 years with AT&T in switching and computer systems.
"Over the last several years,

we have been planning and developing more and more intelligent cellular network products and services, " said Mr Bernard Smedley, senior vice precident

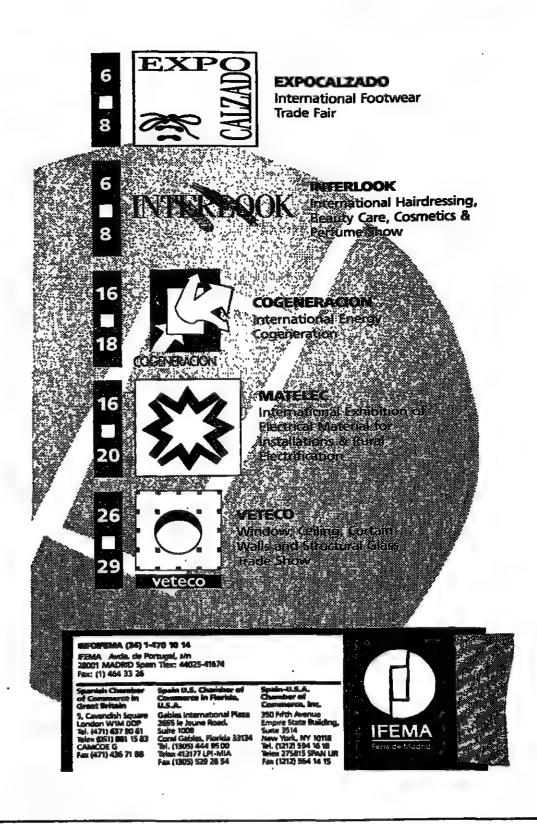
vice president.
"Now that John Scanlon is joining us, we are confident that our vision in this area can become a reality much

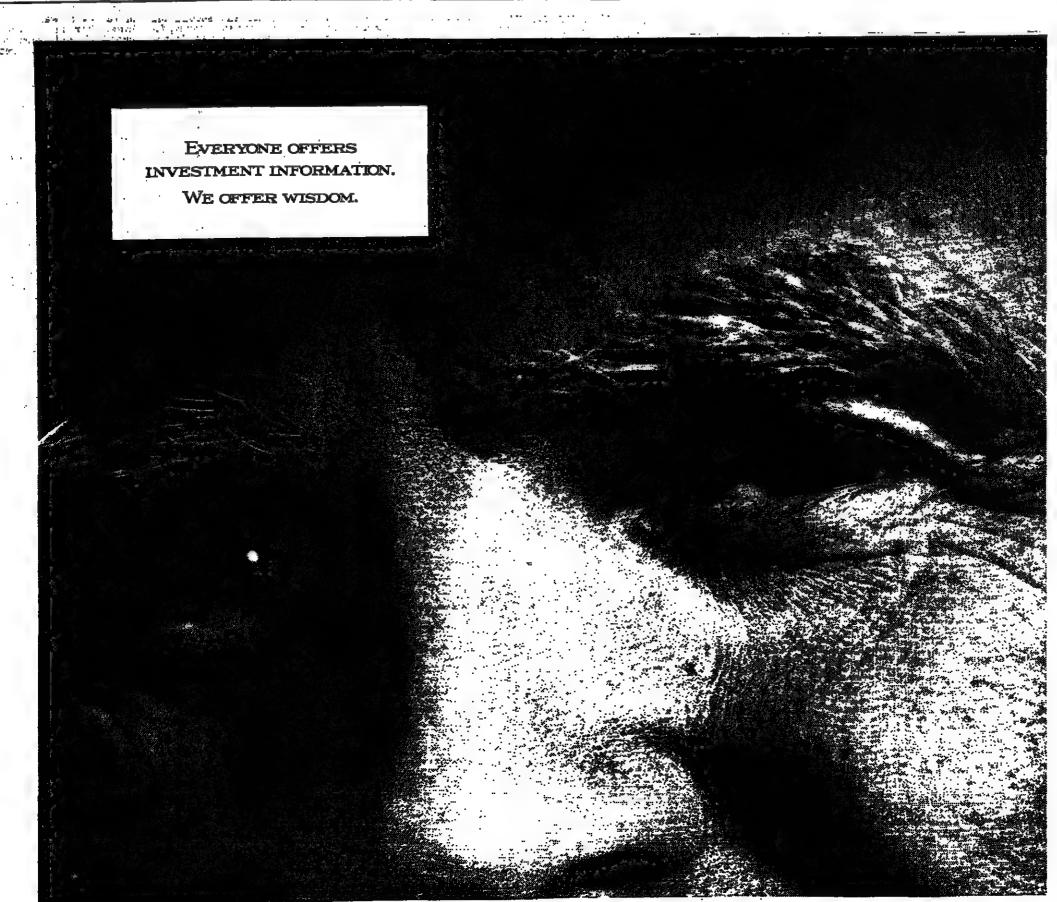
GARRICK T. HU has been pro-moted to general manager of the technical centre for Paccar,

the heavy vehicle maker, in Mount Vernon, Washington.

Mr Hu has been with Paccar since 1983, when he joined as senior project engineer. He has since had a variety of responsibilities at the technical centre as well as assignments with other Paccar operations.

#### OCTOBER MADRID





Information is merely an accumulation of facts. Wisdom lies in knowing how to use those facts. We apply this principle when we design a diversified portfolio, tailored to an investor's performance criteria.

With over a century of successful investment experience, we have learned that true wisdom begins with an understanding not only of investments, but of the investor. We know that successful strategies are dictated by the investor's unique goals and objectives, both long-term and short-term.

Aema has become the largest investor-owned insurance and financial services organization in the United States by paying close attention to these beliefs. Today, clients trust us with over U.S. \$75 billion in management funds because of our market knowledge, and sophisticated research and management techniques. But also, because we understand our investor's individual requirements.

May we apply some of our wisdom to your situation? We invite your call. Ætna|

ÆTNA INVESTMENT MANAGEMENT NETWORK

USA Toronto London (203) 273-5917 (416) 864-8614 (971) 853-3579 Taipei Sydney Hong Kong Tokyo (2) 735-9236 (2) 413-5400 521-4585 (03) 436-8201

#### FT GUIDE TO WORLD CURRENCIES

COUNTRY 491.15 14.8863 2.9350 2.9350 689.960 1.00 282.90 11.2450 5.06 9.8225 1.8845 8.4916 8.4916 82.7550 5.8092 1.1453 1.1453 269.2526 0.3902 110.4000 4.3882 1.9746 3.8331 0.7354 3.8331 217.8048 476.2458 52.2946 1.55/4 366.1236 0.5306 150.1193 5.96/1 2.6850 5.2122 235,080 0,3407 96,3884 1,8313 1,7240 3,3466 0,6420 1,8932 1,91 908 415,802 28,1959 OffyaD 6.7613 2,3036 (Gonde) Cempira) (HK S) (Forint) (8 S) 3,7550
(CFA Fr) 491.15
(Bermudian S) 1,8945
(Wastrum) 33,90
(Boliviano) 6,083
(Pyla) 3,5025
(British S) 5,525
(British S) 5,525
(British S) 3,575
(British S) 1,55416
(British S) 1,55416
(British S) 1,55416
(CFA Fr) 491.15
(CHIEM PES) 1,55834
(CFA Fr) 491.15
(CHIEM PES) 1,55834
(Beaminh) Yasari 8,8894
(CFA Fr) 491.15
(CHIEM PES) 177.76
(British S) 1,79057
(CFA Fr) 491.15
(COMM PES) 1,79057
(COMM PES) 1,49057
(COMM PES) 1,49057
(COMM PES) 1,49057
(COMM PES) 1,49057
(COMM PES) 29,716
(COMM PES) 29,716
(COMM PES) 115 Sermous Bhutan Bolivia (Dobra) (Dobra) (Riyal) (CFA Fri Botsmena (Fylia)
Brazil (Cruzado)
British Virgin is (US S)
Bramel (Brunel S)
Bulgaria (Lav)
Burkino Faso (CFA Fr)
Burnat (Kyat)
Burnad (Rien)
Cambodia (Rien)
Cambodia (CFA Fr) 1.7604 2.9406 250.6261 6.1078 185.3223 460 260.6261 1.1.491 97.3998 68.4446 0.8300 260.6261 260.6261 260.6261 260.6261 260.6261 260.6261 260.6261 260.6261 260.6261 260.6261 260.6261 17.4616 122.9642 16.1158 167.3424 0.7693 2.7157 0.5468 1727.594 0.6420 0.7643 (Local Fr French Fr (Tugrik (E Carr S (Dictum (S.A. Ramb estralian S) Lies Rupeti (Guilder) (Falk © 1 ish Kroner) (Fiff S) (Markka) ( (Fr) (CFA Fr) 0.3902 4.3882 1.0471 2.7266 3.8331 191.66 1.8331 1.5135

cial Drawing Rights Sept. 21, 1990 United Kingdom 60.700152 United States \$1.31769 Germany West 9 Mark 2.06020 Junes Yeal78.481 European Cerry United Kingdom 90.753177 United States \$1.38575 Germany West 9 Mark 2.19037 Junes Yeal90.539

eviations: (a) Fine rate: (b) Banknote retr; (c) Communical rate; (d) Communical rate; (d) Esparts; (d) Financial rate; (d) Exparts; (d) Research (d) Communical rate; (d) Commun



## TRADE INDEMNITY PLC 071-739

EXPORT CREDIT CLEARING HOUSE, Finds 100% non-recourse export finance when you cannot.



NOTICE IS-HEREBY GIVEN that a regular quarterly dividend, being and one-half cents (71/4) Canadian per Common Share, has been declared payable on December 17, 1990 to shareholders of record at the close of business on November 23, 1890.

Shareholders with addresses in the United States or Australia will be paid the equivalent amount in the currency of the respective country.

BY ORDER OF THE BOARD John A. Eckersley Secretary

September 19, 1990

COMPAGNIE BANCAIRE Japanese Yen 3,000,000,000 Floating Rate Nikkel-Linkel

nution Notes due 1993

The interest cate for the six month period commencing 25th September 1990 has been fixed at 8.65% per summen. The Coupon will be Japanese Yen 423,945 on Notes of Japanese Yen 10,000,000. Luteran Payment date 25th March 1991.

Mitsui Taiyo Kobe Trust. International Limited

JEWEL II Limited Be Copwer Month
US\$100,000,000 SECURED HOARING RATE
NOTES DUE 1972
Interest Rote 8,558137% Interest Period
September 25, 1990 to Merch 25, 1991.
Interest People per US\$100,000 Note
US\$4,302,84. September 25, 1990 By Oliberal, N.A. (CSSI Dept.) Agent Bank

ARCHITECTURE The Financial Times

proposes to publish this 31st October 1990

For a full editorial synopsis and advertisement details, please contact:

Jessica Perry on 871-873 4611

or write to ber at: Number One Southwark Bridge London

SEI 9HL

**FINANCIAL TIMES** 

#### URBAN DEVELOPMENT AND THE THATCHER ERA

The Financial Times proposes to publish. this survey on:

#### TUESDAY 30th OCTOBER 1990

For full editorial synopsis and details of available advertisement postions, please contact

Brian Heron

Tel: 061-834 9381 Telex: 666831 Fax: 061-832 9248

FINANCIAL TIMES Alexandra Buildings Queen Street Manchester M2

### relating to the following Stocks based by 1961/66 1958/68 1967/69 1965/70 1971/73 1972/74 1976/79 1975/80 1978/81 1977/82 of Office De RIFG.CHEDZERC Sector Michell of Plance, is Plancing and Development for the 46% late Barcleys Bank pla PO Box 542 Bank of England Registrary Departs Zimbalove Scales Goodenough House 33 Oki Broad Street Morgan Greatell & Co. Limited Morgan Greatell & Co. Limited Mordan of The Sanatha Associatio at Washington Stock, London BC2P 2AX

The Government of Zimbabwe

NOTICE OF TELMINATION OF OFFERS

This advertisement is issued by SWD Rensburg Ltd, a member of The Securides Association, in compliance with the requirements of The Council of The Stock Exchange. It does not constitute an irrelation to the public to subscribe for a purchase of shares.

pplication has been made for grant of permission to deal in the Unitated ecurities Market on The Stock Exchange in the undermentioned securities. It is emphasised that no application has been made for these securities to be admitted to listing. Dealings are expected to start on 1 October 1990.

UNIT GROUP pic Registered in England number 952285 INTRODUCTION BY BWD RENSBURG LTD

of 5,366,348 ordinary shares of 20p each Share Capital beautiful and fully paid £1,073,270 \$1,250,000

The Company's principal activities are the manufacture and sale of timber peliets and the menufacture of specialist precision engineered componi Particulars relating to Unit Group pic are available to the Edul Unitend Securities Market Service.

Copies of particulars may be obtained during normal business hours on any weekday (Saturdays excepted) up to and including 27 September 1990 from the Company Announcements Office and up to end including 9 October 1990 Unit Group pic Bank Street

BWD Renaburg Ltd Park Court Park Cross Street LS1 2CH

25 Sapressiver 1590

#### SPONSORED SECURITIES YMM 7. 3.5 **安** (4) 270 23 116 73 48 7.3 37 113 52 ... 69 111 138 ... 61 E4 92 ... 35 129 94 ... 11.6 18.7 14.7 7.6 10.3 309 309 200 111 169 200 115 35 97 220 135 170 223 136 36 36 9 72.9 U. 81 4,0 63 8,7 63 -9,9 6,9 45 30,9 11.6 20.0 10.7 22.0 14.1 Securicies designated (SE) and (USSID are dealt in subject to the rates and regal ISE. Other recurrises theref allows are dealt in subject to the rates of TSA. These securities are dealt to strictly on a another barpain barps. Action lades Companies Exchange Limited are Geometric Omics Limited are nagring main

Independent Companies Eachange Laurted 77 Marteril Street, Levidon E1 8AF Telephone 071-488 1212 Member of TSA Granville Davies Lummed mell Screer, London E1 8AF Telephone 071-188 1212 Member of The ISE 6. TSA

#### INTERNATIONAL CAPITAL MARKETS

## Surging oil price casts cloud over Treasuries

By Janet Bush in New York and Deborah Hargreaves in London

to slide yesterday morning as crude oil prices leapt above \$38 a barrel after Iraq's threat to arrack Middle Eastern oil facili-

ties and Israel. At midsession, short-dated maturities were quoted as much as % point lower and the Treasury's benchmark long bond stood % point below Fri-day's close for a yield of 9.18

per cent.
Oil was the overriding negaoff was the overrining nega-tive influence on the market yesterday. On the New York Mercantile Exchange, Novem-her crude futures were quoted \$2.84 a barrel higher at \$38.30. The only bright spot was at the very short end of the market where Treasury bills edged up on a flight to quality from the equity market which was sharply lower in the morning. For the rest of the market, there was a plethora of worries apart from the inflationary implications of the surge in oil prices. The dollar remains

#### GOVERNMENT BCNDS

weak and there was no state ment from the Group of Seven meeting to stabilise the US currency which some traders had

rency which some traders had hoped for.
In addition, US budget negotiations continue with little progress. Mr Richard Gephardt, House of Representatives majority leader, said that there had been little progress on Sunday night Toxinress on Sunday night. Tortu-ously slow efforts to come up with a deficit-cutting package come when Treasury borrow-ing needs are increasing, not ing needs are increasing, not least to fund the thrift crisis.

The Treasury bond market faces fresh supply this week with the sale of \$11.5bm in twoyear notes today and \$8.5bn of four-year notes tomorrow.

BENCHMARK GOVERNMENT BONDS -01/32 12.53 -04/32 11.76 -03/82 11.13 12.53 12.53 11.61 11.99 11.18 11.39 101-21 84-16 83-18 09/92 03/00 10/08 13.500 -08/32 -14/32 8.750 D8/00 8.750 D8/20 96-07 95-24 -0.218 8.68 -0.296 8.20 80.7142 91.8762 6.500 08/00 96.1900 -0.480 9.10 9.04 - 8.99 FRANCE BTAM 9.000 11/95 94.0859 -0.402 OAT 8.500 03/00 87.1000 -0.700 10.500 07/00 95,0500 -1.300 11.35 10.82 10.98 NETHERLANDS 9.000 07/00 98.3500 -0.260 9.26 9.19 9.14 18.000 07/00 96.2824 -0.624 13.69 13.52 13.71 AUSTRALIA London closing, "desotes New York morning session Yields: Local market standard Prices: US, UK in 32nds., others in decimal

MACTIVITY was muted in the West German bond market yesterday as prices edged down-wards again, but traders said the day was significant for highlighting a reversal in a run of cautious optimism that has characterised the market.

Sentiment turned increassentiment turned increas-ingly bearish yesterday as trad-ers realised that the trickle of buying from German investors has almost dried up. German investors who, in

the past, have rushed to buy government paper when it reaches a yield of 9 per cent are not showing any interest in bonds, where the average yield has crept up to 9.17 per cent.

The West German market has held up well by comparison with other leading bond markets recently but vester. markets recently, but yester-day's disillusion with the mar-ket could herald the start of a

further decline. Some traders believe that there will be more retail buy-ing when yields reach 9.5 per

The 8% per cent 10-year issue was fixed in the cash market 41 pfennigs lower at 96.29 to offer a yield of 9.08 per

cent after Friday's level of

96.70 with a price of 9.02 per The spread between the

French and German markets has widened to reach 162 basis points after falling below 100 earlier this year. The French market has suf-

fered from the recent fall in bond prices as foreign inves-tors have bailed out of the mar-

win THE UK, glit-edged securities had a volatile day on thin volume with retail participa-

The market took small comfort from the favourable trade figures which beloed to stabi-lise a drop in prices, but did not stop a drift lower later in the day.

The trade figures had a more positive effect on the foreign exchange market where the pound rose to 93.4 in the Bank of England's trade-weighted index, from 92.8 at the opening

of the day.

A benchmark 11% per cent gilt issue mainring in 2003/07 closed at 99# down # to offer a yield of 11.76 per cent.

### HK banks change interest rate policy

THE Hong Kong Association of Banks has agreed to end a sys-tem which allows small banks to offer higher time-deposit interest rates than larger financial institutions in the colony, Reuter reports from

The HKAB had been asked by the government to stop the system whereby category two banks could offer up to-half a percentage point more

than the bigger banks in category one. The request arose because the General Agreement on Tariffs and Trade would soon be enlarged to include trade in services.

half a percentage point higher than higger banks on local cor-rency time deposits of up to HK\$500,000.

HK\$500,000.

Bank deposit rates in Hong Kong are fixed by the HKAB at a weekly meeting, which banking industry sources said was to prevent excessive competition. "The [HKAB] committee agreed they should change their rules and would be consulting with the grownment." There are 33 banks in Hong
Kong listed as category two
institutions, including 13 menibers of Beljing's state-ewned
Bank of China group. Under
the previous rules, they were

their rules and would be conpermitted to offer rates up to sulting with the government."

Diving a 18

" **22.7%** 

िक्षक ्ष<u>क्र</u>

 $\cap \omega := \varphi$ 

100

7.1

300

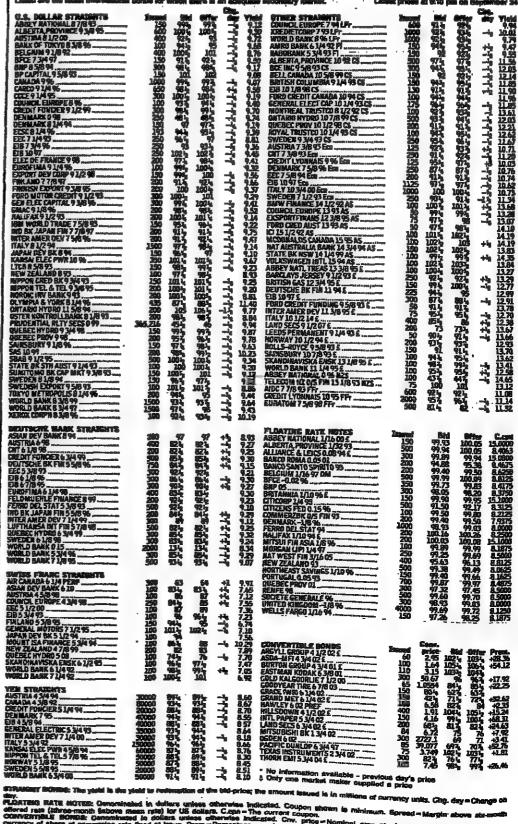
F= .-

\*\*\*\*\*

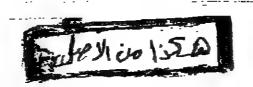
The second second

LAD INTE

FT/AIBD INTERNATIONAL BOND SERVICE



ominated in dutiery unless otherwise indicated. Coupon shown is minin over mean note) for US deligra. C.c.on — The current coupon. Homina blanted in deligra unless otherwise indicated. Cov. price — Nominal am o rate fixed at leave. Prem — Percentage premium of the current effects.



## Barclays Bank plans novel NZ futures preferred stock structure

By Tracy Corrigan

BARCLAYS BANK is understood to be planning to raise equity-type capital using a novel financing structure which other banks could imitate. It will be the latest in a recent rush of bank financings designed to bolster capital to comply with regulatory guide. comply with regulatory guide-

Barclays is believed to have developed a new structure for preferred shares which will allow a fresh investor base to be tapped – the Far East.

Preferred shares are fixeddividend shares which have a
prior asset claim over common stock. Like common stock, they rank as Tier 1 capital under the guidelines set by the Bank for International Settle-

in the past, preferred shares have been priced against the US municipal bond market and sold to US retail investors. Barclays plans to issue preferred shares which will pay a spread over the London inter-bank offered rate. Barclays de Zoete Wedd is

expected to be lead under-writer of the transaction, which will be launched in

Mr Brian Worsley, Barclay's assistant treasurer, declined to comment on any deal, except to say that Barclays, with other banks, is looking at vari-ous means of raising capital.

By William Duttforce in Geneva

TRADING IN six Polly Peck International bond Issues with

a nominal value of SFr600m (\$460m), as well as in the shares of the UK fruit trading

and electronics group, were suspended by the Zurich Stock Exchange last Friday. S.G. Warburg Soditic, the Geneva-based investment bank

which was lead manager for the six bond issues protested yesterday that there was no justification for their

uspension. Mr Marc de Frisching.

executive vice-president of the bank, said that it had been

reasonable to stop trading in the Polly Peck shares because

However, investment bankers have got wind of the deal, which is believed to have been

given a green light from the Bank of England.

Barclays is said to be plan-ning to issue the paper through a subsidiary, a structure which has not previously been allowed for Tier 1 capital. Barclays appears to be waiting for BIS approval to launch the

The Barclays deal is believed to target Japanese leasing com-panies, which have an appetite for high-yielding debt. Bankers estimate that Barclays will have to pay interest of about 150 basis points above Libor, to attract such investors.

The bank has a history of

innovative capital-raising, hav-ing brought the first step-up coupon perpetual financing in However, the bank is said to

have shunned the variable-rate structure used by other banks. As banks struggle to meet capital adequacy guidelines, there has been a resurgence in the issuance of subordinated variable rate notes this summer, culminating in the first such financing in Ecu by the Spanish bank Banesto last week. Such debt ranks as Upper Tier 2 capital if perpetual, or lower Tier 2 if dated. Meanwhile, a flood of \$4bn of dated subordinated debt has

**Zurich suspends trading in Polly Peck** 

rumours and newspaper reports could have created a

But the reports had spoken of an investigation into Mr Asil

not into the affairs of the

not into the affairs of the company, so that a halt to trading in the bonds was not called for, he said.

Warburg Soditic had handled only bonds for Polly Peck and had had nothing to do with matters related to trading in Polly Peck shares, Mr de Frisching said. Mr Jürg Gig, deputy director of the Zurich Stock Exchange, said it was an

Stock Exchange, said it was an exchange rule to suspend a

stock, when trading in it had

dir, Polly Peck's chairman,

been launched so far this month by Japanese banks, with more expected to follow. Japanese banks urgently need to bolster capital eroded by recent equity market declines. Such debt ranks as Lower Tier 2 capital under the BIS guide-

But the category of capital which banks have found most problematic has been Tier 1 capital, which for fund-raising purposes comprises just com-mon equity and preferred

With stock markets currently in a weak state, it would be difficult and expensive for banks to issue fresh equity. So the Barclays structure, if accepted by the BIS, could provide a welcome opportunity to raise such capital. However, bankers warn that demand for such paper will be finite.
"Every bank would do this if

it could. But there may not be room for more than a couple of billion dollars," one invest-ment banker observed.

So although the new struc-ture may hearten banks seek-ing capital, it will not tackle the scale of the problem. According to an estimate by Salomon Brothers, the 35 members of Salomon's hank stock index need to raise \$9.6bn of Tier 1 capital by 1992, to achieve a 5 per cent tangible equity-to-asset ratio.

been stopped on its "home"

The decision to halt bond

deals had been taken after a bid of 70 had been made in

pre-bourse trading for a Polly Peck 8% coupon issue which had been on offer at 90 the day

The Polly Peck fixed-interest bonds on which Zurich has suspended trading are: SF-75m

6 per cent due 1992: SFr50m 614 per cent due November 1990: SFr100m 5% per cent due April 1998: SFr125m 5% per cent due September 1994: SFr100m

6% per cent due March 1996: SFr150m 8% due March

bourse.

independently assessed at about NZ\$4m, or NZ\$250,000

bank to intervene.

Trading in share options will start on October 5, the exchange said yesterday. No transaction fees will be charged until Christmas. The exchange and International Commodities Clearing House agreed to waive fees initially to help stimulate liquidity. From October 5 options in

Brierley Investments, Robt Jones Investments, Fistcher Challenge and Carter Holt Harvey will be listed.

## and options exchange in shake-up

THE New Zealand Futures and Options Exchange, which plunged into crisis late last year following a member default, has agreed plans to revamp its membership and let a private body run its ser-vices, Reuter reports.

The changes would allow non-members to trade. Policing would be left to an inde-pendent body in which current exchange members could each have a stake.

Mr Gavin Kennedy, exchange president, said: "The principal decision was that the board of the exchange investi-gate further the concept of private ownership of the services function of the exchange."

Members approved the change at the exchange's annual conference over the

weekend. However, they set no deadline for the changes to be

Under the plan, the present trading and affiliate membership tiers would be replaced by a trading permit which would cost about NZ\$20,000 (US\$12,300) a year. Principal traders, or those trading on their own account would have their own account, would have to be clearing members, sub-ject to supervision. Exchange brokers, who would trade with the public, would be subject to supervi-

would be subject to supervision concerning client money regulations, capital adequacy and reporting requirements.

The exchange has 16 trading, or full, members, and its market capitalisation has been

The exchange was shaken last November when a member, Jordan Sandman Futures, part of the JB Were Australian broking group, defaulted, foreing the New Zealand central

## Japanese derivatives to be launched

By Deborah Hargreaves

AMID continued weakness in the Japanese stock market, US derivatives exchanges are pre-paring to launch a rush of futures and options products hased on Japanese stock indi-ces this week.

The products will give US investors and speculators the chance to take a view on the Japanese market without trading in Tokyo. Japanese regulators are concerned at the establishment of derivative instruments beyond their control.

Japanese regulators are understood to have expressed doubts about the contracts in letters to the US exchanges. In addition, the Tokyo Stock Exchange is refusing to enter into an information-sharing agreement with the American Stock Exchange in New York, which plans to launch an option on its Japanese index today. . It is unusual for the US Secu-

ritles and Exchange Commission to give approval for stock index products which do not include information-sharing pacts with exchanges which trade the cash market. How-ever, the Amex was confi-dently awaiting SEC approval yesterday.

Chicago's two big futures and options exchanges con-cluded information-sharing agreements with the Japanese exchanges at least two years ago, which leaves the Japanese authorities little leverage beyond expressing their con-cern over the new products.

Borrower ME DOLLANS Credit Local de France† (e)

AUSTRALIAN DOLLARS

The Chicago Mercantile Exchange will launch a futures and options contract on the Nikkei 225 today, while its rival, the Chicago Board of Trade, will begin trading on its Tokyo Stock Exchange index (Topix) futures and options on

Thursday.
The CME was planning to wait until its Globex automated trading system got off the ground to list its Japanese products but has been pushed into an earlier start by the CBOT's decision to launch then the CBOT's decision to launch then week. The CBOT had been awaiting approval to trade an option on the Topix, which it is expecting today.

In a unique twist, the CBOTs contracts are denomi-nated in yen, which adds cur-

NEW INTERNATIONAL BOND ISSUES

rency risk for traders. The other exchanges' contracts are in dollars. The Japan index to be traded at the Amex contains 210 of the most liquid Japanese stocks and its performance usually closely matches that of the Nikkei.

In addition to its new option, the Amex has announced an agreement with the Economic Development Corporation of Honohiu to establish a securi-ties trading facility in Hawaii. The move is a bid to grab more business from Japan and the Pacific Rim countries. The London International

Financial Futures Exchange will today announce changes in its Japanese bond futures contract aimed at increasing volume in the product.

## National Australia Bank in A\$60m deal

By Simon London

A PUBLIC holiday in Japan further restricted bond issuance but borrowers continued to take advantage of opportuni ties in the Australian dollar

The high rate of recent redemptions in the sector has left a pool of retail buyers looking to re-invest Australian dollar funds. Tapping this demand yesterday, National Australia Bank launched a A\$60m issue through Dresdner Bank. Targeted at retail inves-tors in Germany and Benelux

#### INTERNATIONAL Bonds

countries, the four-year issue carried a coupon of 14 per cent. Syndicate members reported a slow start to retail placement but remained confident of the underlying depth of demand. The issue was trading less 1% bid, on full fees.

10bp Credit Lyonnals Euro-Sec STERLING Brad. & Bingley B.Soc.† (b) 100(d) 1997 Final terms, if loating rate note, a)Non-callable, b)Callable at par from Oct.1995, then at coupon date, c)3-month Libor + abp. d)Fixed reoffer at 99.80. a)8-month Libor less 6.25bp. a move to diversify funding

Peninsular & Oriental Steam Navigation Company, the UK shipping, property and construction group, launched a A\$100m deal through Samuel Montagu. The five-year bonds were priced at 102 and carry a

coupon of 14.8 per cent.

The issue was largely preplaced with a group mainly
consisting of banks which are asset-swapping the paper. Trading volume is likely to be thin. However, the lead man-ager reported additional demand from retail investors in Europe.
For P&O the issue represents

funds to meet working capital requirements at its Australian subsidiary. Last year the com-pany was the first non-Japanese borrower to issue convertible bonds in Tokyo, following deregulation of the market by the Japanese authorities. Elsewhere, Bradford & Bingley Building Society launched a 2150m floating-rate note issue, with Credit Suisse First Boston as lead manager. The seven-year bonds offer a spread

sources. The company will not be swapping the proceeds of

the issue and is using the

of 8 basis points over the three-month London interbank offered rate, in line with other issues by Bradford & Bingley. The paper was taken up mainly by UK institutional investors. The lead manager reported the deal trading at the reporter the dear training at the fixed re-offer price of 99.80, well inside full fees of 24 basis points. Crédit Local continued an active period, following two fungible Ecu offerings last week, with a \$100m floating-rate note issue through Crédit Lyonnais. The paper was largely pre-placed and trading at issue price of par.

### Guatemala \$43m behind in World Bank repayments

GUATEMALA has arrears of \$43.3m in repayments to the World Bank on an outstanding debt of \$204.6m, writes Richard Johns from Guatemala City. It is understood that the World Bank stopped disburse-ments of committed loans on March 20 after the Central American Republic stopped

1,336

1,197

servicing its liabilities to the bank at the end of last year. On September 7 disposable ascets of \$22.1m compared with short-term habilities of \$35.4m. Guatemala's total external debt is between \$2.6bn and \$2.7bm.
Relief should be forthcoming

from a \$50m cash grant from

and balance of payments, nearly half the \$121m aid ear-marked for Guatemala by Washington during the 1990-91

the US to support the economy

fiscal year.

The crisis should be alleviated by \$50m from the Interaction of the Interac American Development Bank and \$20m from private institu-

made by Mr Lizardo Sosa Lopez, president of Bank of Guatemaia.

From August 1989 to the end of July 1990 Guatemala estract \$375m from exports of coffee, its main source of foreign exchange, compared with \$359m in the year-ago period.

figures.
Total turnover tell from 46,000 on Friday to 39,189 with the dealing in Fr-SE options dominating the day on a volume of 12,591 (3,420 calls and 9,171 puts) in missions of the available of the series of the

(3.420 dairs and p.177 puts) in anticipation of the expiry of the September option on Friday. Most of the business was con-ducted on behalf of private clients with index options seen as justify-

Der Her Jan Der Har Jen

#### LONDON MARKET STATISTICS

#### FT-ACTUARIES SHARE INDICES

• The Financial Times Ltd 1990. Complied by the Financial Times Ltd in contraction with the institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS		enday	Septe	mber 2	4 199	0	FH 500	Thu Sap 20	Wed Sep 19	Year ago (approx
Flg	A SUB-SECTIONS Figures in parentheses show number of starts per section		Day's Change %	Est. Earnings Vinte's (Max.)	Gross Oir. Yald % (Act at (25%)	Est. P/E Ratio (Not)	rei adij. 1990 tu data	Index No.	index No.	Index No.	Index No.
	CAPITAL 6000\$ (195)	658.43	-1.6	17.03	7.10	7.20	29.40	669.07		687.45	
	Building Materials (26)		-0.7	18.40	7.39	6.70	34.59	826,41	812.99	844.48	
	Contracting, Construction (56)		-2.7	22.30	8.03	5.86	50.99				
4	Electricals (10)	1805.83	-1.2	15.57	7.39	7.85	73.06				
5	Electronics (27)	1486.79	-1.7	11.04	5.41	12.32	56.74	1513.08			
6	Engineering-Aerospace (3)	399.79	-2.4	16.83	6.02	7.14	15.17	409.54	402.60	414.30	0.0
	Engineering-General (46)		-13	16.59	7.15	7.25	15.76	368.14		385.96	
	Metals and Metal Forming (6)		-1.6	30.05	8,76	4.05	17.02	390.23		403.40	
91	Motors (13)	260.41	-1.3	20.61	9.07	5.65	14.26	263.91		281.67	377.6
	Other Industrial Materials (23)	1108.40.	-1.7	15.53	7.37	7.44	56.53				
	CONSUMER GROUP (178)	1121.42	-1.4	11.07	4.61	11.17	29.31	1137.12			1360.2
		1370.10	-13	11.43	4.31	10.60	33.47	1388.47		1419.05	
25	Food Manufacturing (20)		-1.8	12.17	5.09	10.14	24.61	977.00			
26	Food Retailing (16)	2245.36	-0.7	10.57	3.72	12.04	50.82	2250.34		2398.63	2637.2
27	Health and Household (16)	2293.95	-21	7.75	3.24	15.32	47.38	2342.54		2324.15	
291	Leisure (32)	TTTT 42	parameter .	13.39	5.59	9.03	36.79			1161.86	
311	Packaging & Paper (12)	477.24	-1.1	13.49	7.29	9.11	22.54	482.48	480.79	489.44	608.0
32	Publishing & Printing (3.6)	2878.17	-1.3	12.64	6.52	9.92	118.55	2915.27	2960.70	3026.84	
34	Stores (33)	718.44	-1.4	12.39	5.27	10.48	18.26	728.45	736.54	747.62	864.8
35	Textiles (11)	388.59	-2.4	15.51	9.28	8.16	19.76	394.15	398.15	405.47	577.9
أمه	OTHER GROUPS (107)	932.53	-2.0	13.66	6.40	8.86	31.51	951.33	949.24	970.51	1210.0
411	Acencies (16)	1051.28	-3.6	10.20	3.78	11.90	22.00		1077.93	1138.74	1564.7
42	Charticals (24)	1 940.57	-24	14.17	7.68	8.33	46.23	964.04	957.43	977.81	1324,70
431	Constamerates (15)	12236.56	-1.6	13.64	8.09	8.81	35.71	1256.03	1239.16	1282.74	1706.7
AA!	Teancrort (13)	11730.92	-2.1	13.63	5.93	9.30	65.20	1819.28			2424.2
AL	Tolenhouse Metworks(2)	٠٧. تخليل	-2.1	12,94	5.45	10.05	26.09	1056.09	1063.82	1078.07	1195.04
47	Water(10)	1922.37	-1.2	16.04	7.05	7.01	68.12			1989.45	0.0
Zel	Miscellaneous (27)	1445.37	-15	14.55	6.27	7.89	61.39	1467.09	1463.87	1479.72	1946.10
-	INDUSTRIAL GROUP (480)	950.55	-1.6	13.18	5.71	9.29	30.96	966.10	963.18	968.22	1238.1
<del></del> 1	THE POST WOOD CHOOL STREET	2432,70		10.26	5.14	12.75	84.75	2459.67			2216.1
<u> 54</u>	011 & Gas (20)		_					_			
59	509 SHARE INDEX (500)	1070.29	-15	12.68	5.61	9.75	35.28	1086.83	1083.18	1107,39	1321 3
61	FINANCIAL GROUP (187)	621.68	-1.9	<b>! -</b>	7.64	- 1	31_27	633.97	639.57	664.93	811.34
62	Banks (9)	650.43	-0.8	25.13	8.83	5.21	41.50	655.98	663.00	704.16	834.2
65	Insurance (Life) (7)	1233.20	-3.4	- 1	6.22	- 1	54.97	1276.01		1298.50	1207.60
66	Insurance (Composite) (6)	526.46	-3.0	-	8.06		27.35	542.90	552.72	566.94	656.8
67	Insurance (Brokers) (8)	757.70	-1.9	11.82	8.51	11.06	40.46	772.61	778.98	788.72	983.14
68	Merchant, Banks (7)	319.38	-2.2	1	6.36		12.31	326.72	337.42	344.03	402.94
69	Property (47)	834.72	-2.2	9.11	5.88	14.56	24.52	853.90	845.75	881.88	1342.96
70	Other Financial (23)	234.78	-1.1	11.56	7.48	11.37	10.30	237.42	243.00	246.53	367.68
	Investment Trusts (66)	974.15	-1.5	-	4.05		24.36	988.98	1001.20	1020.96	1268.9
<b>67</b> 1	Overseas Traders (5)	1079.53	-29	13.34	8.54	8.92	59.65	1112.32	1104.22	1195.05	1457.45
		962.09	-1.6		5.86	_	33.89	977.59		1000.73	1197.67
99	ALL-SHARE INDEX (678)		_	-			20.07				_
П		Bodest i	Day's Change	Day's High (a)	Day's Low (b)	Sep 21	Sep 20	Sep 19	Sep 18	Sep 17	Year ago

	FIXED INTEREST						AVERAGE GROSS REDEMPTION VIELDS			Mon Sep 24	Fri Sep 21	Year ago (approx.)
	PRICE INDICES	Mon Sep 24	Day's change %	Fri Sep 21	xd adj. today	xd adj. 1990 to date	_	Comports	5 years 5 years 5 years	11.03	10.99 10.99 10.99	9.82 9.38 9.27
3	5-15 years Over 15 years Irredeemables		-0.13 -0.35	116.18 120.83 121.64 139.55 121.16	-	9.48 9.95 9.84 8.85 9.88	6 7 8 9	Medium Courses 12 High Courses 14	5 years 5 years 5 years 5 years 5 years 5 years	12.07 11.53 11.25 12.15 11.79 11.55 11.15	12.05 11.49 11.21 12.14 11.75 11.50 11.14	10.73 9.78 9.40 10.84 9.97 9.55 9.31
6 7	Up to 5 years Over 5 years	151.78 137.99 138.92	-0.09	151.78 138.12 139.03		2.46 3.12 3.06	12 13	inflation rate 5% (of lation rate 10% inflation rate 10%	Over 5 yrs	3.41 4.14	4.32 3.38 4.13	
9	All stocks	99.17	+0.02	99.46	0.31	8.93	. ==	Debs & Logos	5 years 15 years 25 years	14.24 13.05 12.13	14.00 13.07 12.73	12.96 12.03 11.51
	10 Preference 72.20 -0.90 73.51 0.64 5.23 18 Preference 13.08 12.94 10.40											
\$Op	Appening index 2011.3, 9 am 2003.2, 10 am 2008.0, 11 am 2009.2, Noon 2017.1, 1 pm 2015.0, 2 pm 2012.9, 3 pm 2002.9, 4 pm 1988.0, 4.10 appening index 2011.3, 9 am 2003.2, 10 am 2008.0, 11 am 2009.2, Noon 2017.1, 1 pm 2015.0, 2 pm 2015.9, 3 pm 2002.9, 4 pm 1988.0, 4.10 pm 1988.2, (a) 11.3/pm (b) 3.56pm f Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday pm 1988.2, (a) 11.3/pm (b) 3.56pm f Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is smallable from the Publishers, The Financial Times, Number One, Southwark Bridge, London SE1 9HL, price 15p, by issues. A list of constituents is smallable from the Publishers.											

4.5-4-

## RISES AND FALLS YESTERDAY 194 84 84 80 23 43

LONDON RECENT RISUES											
QUITIES											
Store	Some And of L. Price Pald Ro		1990		Stock	Closing +01 Price -		Het. Dir	Tianes Cov'd	Gross VL-14	PIE
PRICE		Date	High Low			Frince	_				
100			11/10 4 14/5% \$2 14 42 7 17 15 90 55 19 25 19 00 0 6	19 42 - 6 CATT NO. 14 20 4 12 14 15 11	ASI Leisare 10p  Bannet, & Fautrain Wes. Exp Co of Locktera Wes. Exp Co of Locktera Wes. Finitine Group 1p Ficher (Albert) Warrants Golden Valle Ville First State Valle Ville Jupiter Expo Int Treet. Do. Warrants Schotter St. Warrants Schotter	9684**4*********************************	* 19 4 9 97	84.7 80.59% 11.0 13.75 13.75	24 24 22	3111121121121112141	8011315
130	FP. FP. FP.	1111111	報の記むを	28 28 96 40	Do. Warrants	23287423	-12 +1 -2	10.0 F1.0	11111	1433	1111

FIXED INTEREST STOCKS										
istate Associal.		Latest Remark	19	90	Sinck	Clasing Price	+ 0*			
Price £	120	Date	High	Low						
101.73 100	F.P. F.P. F.P. F.P. F.P. F.P. F.P. F.P.	28/9	1034; 101 874; 1154; 1029 909; 1175; 1059 559	100 75 639 959 959 759 1059 1014 509 289	Anglian Water Super index-lok to 2008. Selluchird Tops. Lizu Cr. Unit. Liz. 2005. European Leisure B. 75p Oliest Or Rai Pf. Expl. On. of Lunislases Ser. A Cr Pf Neymorth Day Fiz. 11 Lyg. Cr. Bids 2005. Perities Foods 8p Oliest Or Rai Pf. 2005. Reckirt & Colman 9.5pc Cr Bids 2005. Reckirt & Colman 9.5pc Cr Bids 2005. Hymitians Group 9.375pc Cm. Pf. York Unit. 8.5p (Net) Rd. Cr. Pf. 20p.	1034 75 639 4914 98169 98169 1034 509 289	2 1 44 7			

			R	OWN	OFFERS		
leat Price P	Amount. Paid op	Latest Resource Date	19 High	190 Law	Stack	Cleating Price P	+ 57
Officer based Dividend as previous year and yield ha based on lar Dividend as dividend con a Different to	op divider of yield ex ex's earning sed on pro- lest anakal of yield be ser and pie	et en fuil clade spei gs. H Diek spectus er l englisigs. sed on pro- ratio base l andiserv	capital, g clai payons lend and vio other official M. Obriden repectus or d on prospe shares as a	prespectus Assumed off Assumed	eff(S 10)  eG.C.F. Group 10)  eG.C.F. Group 10)  forest Western Resource  flymout 65 & 61  Ratners  eRegions Health 20  ere Health	liminary fly ie, cover hi 1989. K D desid, cover Mates for 1 oreçast and Pissaed by betion. 4 li	ports. S part con fristend and pie 990. Il stellers

TRADITIONAL OPTIONS									
First Dealings Last Dealings	Sept. 17 Sept. 26	London Share Service Calls in ACM Gold, Aviva Pe Astra Hidga., Tuakar Rea., Ba							
<ul> <li>Last Declarations</li> <li>For settlement</li> <li>For rate indications set</li> </ul>	Dec. 27. Jan. 7 se end of	cock infl., Berisford infl., Coc son, Regal Hotel and Souther Prop. Put in Securiguard.							

#### LONDON TRADED OPTIONS

THE derivative markets are brisk short-term trading yesterday as dealers sought to cash in on the high level of volatility on the underlying equity market.

Dealers in the London Traded Options Market (LTOM) were buying FT-SE options in the morning and selling them in the afternoon. The London International Financial Futures Exchange also saw lively trading in FT-SE Future contracts with a 7,891 turnover in the September contract, which opened at a small premium but tell to a discount in expectation of a weak opening on Wall Street.

a weak opening on Wall Street.
It reached a 14-point discount
to the cash market, as market
makers hurriedly out back their
prices to deter sellers, but rallied

120 11 17 21 4 7 8 130 7 11 16 9 12 13 140 2 6 10 14 17 19

to close at a 10-point discount to estimated tair value. The Decem-ber issue was also busy with

4,212 lots traded.
UBS Phillips & Drew in an enalyels published today argues that
the FT-SE tritures ofter especially good value to investors prepared to take an optimistic stance. The Equity Futures Monitor report claims that the equity market is being supported by good yields on stocks and that the time

yields on stocke and that the time is right to buy. It goes on to argue that as the September future is trading at a discount to estimated fair value it is relatively cheap.

Business started quietly in the LTOM but picked up after 11,30am with the appropresent of encourse. with the announcement of encour-Out in her set in her

Water 210 16 24 -(\*219) 220 - 26

Her Jan Har Jan

ing their high price as investors profited from the falling market.
Rolls-Royce was the busiest stock option with 2,667 lofs traded — principally as a result of intramarket business. results out on Thursday, 2,598 contracts exchanged.

140 12 18 25 11 13 15 160 41, 9 16 23 25 26 20 2½ 3 = 4 6 = 25 1 2¼ - 8½ 9½ -

## Coats Viyella picks new chief in strategy switch

COATS VIYELLA, one of Europe's largest textile groups, yesterday signalled a significant change in strategy by appointing Mr Neville Bain from Cadbury Schweppes, the confectionery company, as group chief executive.

group chief executive.

Mr Bain, 50, who is deputy chief executive and finance director of Cadbury, will in effect fill the roles previously carried out by Sir David Alliance, chairman, and Mr James McAdam, deputy chairman.

Sir David, 58, created the Coast textile empire in a num-

Coats textile empire in a num-ber of audacious deals in the 1970s and 1980s. He will relinquish the position of chief executive to concentrate on long-term strategy, industry issues and public affairs. Mr McAdam, 59, will cease to be Coats' chief operating officer but will continue as deputy

chairman. After his appointment Mr Bain will take full executive responsibility for all Coats' operations. The other executive directors will report directly to him. In the past they reported to Sir David on some issues and to Mr McA-

By Philip Rawstorne

CADBURY Schweppes, the UK confectionery and soft drinks group, is discussing the possible formation of a joint venture company in West Germany and Austria with Apollinaria Brunnen, the mineral water interests of Dortmund-based Brau

The proposed company would be responsible for the existing Cadbury Schweppes

and Apollinaris drinks busi-

nesses in those countries, but each of the partners would retain ownership of the brands

Apollinaris, which already

distributes some Cadbury Schweppes products in central Germany, has four bottling

plants and about 700 employ-

involved.

Cadbury plans joint

venture in Germany



Neville Bain: 'sounds like the answer to Coats' problems'

Mr Bain, a New Zealander, has worked in a wide range of posts in finance and general management in his 26 years with Cadbury Schweppes. He will be succeeded as finance director by Mr David Jinks, his

deputy.
Coats Viyella, which has recently been embroiled in an or-off hid for the Tootal textile group, employs 50,000 people

Total sales of its seven min-eral water brands, led by the premium-priced Apollinaris,

West Germany's second largest brand by volume, last year totalled 300m litres.

Cadbury Schweppes, with a strong presence in West Ger-many's tonics and bitters mar-

ket, has two bottling plants and some 200 employees. Last year, sales in West Germany and Austria totalled 60m litres. Discussions of the joint venture proposals are expected to continue for several acceptance.

continue for several months, but Cadbury Schweppes said yesterday that they appeared to offer opportunities for devel-

oping production, distribution and sales in West Germany,

Europe's biggest soft drinks

and manufactures in 35 countries. It is suffering in the recession that has hit the UK textile industry and recently reported a slight fall in pre-tax profits to £55m on turnover of 1913m for the first half of the

The appointment of Mr Bain, who is highly regarded for his role in the restructuring of Cadbury, was welcomed by the City. "He certainly sounds like the answer to Coats' prob-lems," said Ms Julia Blake, textile analyst at Barclays de

The City has been critical of Coats' management for some time. Sir David is seen as a brilliant deal maker who never really got to grips with the day-to-day business of running a huge group like Coats.

However, analysts were con-cerned that Mr Bain may find it difficult to assert himself against Sir David, a powerful figure renowned for his author-

itarian management style.

Mr Bain said he was confident he had "all the necessary authority" to fulfil his new role, and Sir David said he was looking forward to "contributing more as chairman".

#### Kitchen side leaves Cornwell Parker lower

By Richard Gourlay

Cornwall Parker, a specialist furniture and fabrics company, announced a 5 per cent fall, from £9.2m to £8.7m, in pre-tax profits for the year to July 31 as the company continued to as the company continued to incur losses on its kitchen

Turnover rose 13 per cent to 592m (531.45m). An increased final dividend of 3.9p is proposed for a total payment of 5.5p (5.2p). Barnings per share were 15.1p (16.2p). Operating profit from furni-ture rose to \$4.6m (\$4.1m) but-

fabrics slipped to £48m (£5.2m) as the interest charge associ-ated with increased stock levels rose sharply. Group interest charges increased nearly five fold to 2738,000 partly because of the cost of financing the losses on the kitchen division.

#### Far East disposals planned at Lloyds

By David Barchard

LLOYDS RANK, the smallest of the hig four UK clearing hanks, is planning to sell most of its operations in four Far Eastern countries. This is the latest warm in a realest of mith.

Rastern countries. This is the latest move in a series of withdrawals from markets outside the UK designed to strengthen the bank's balance sheet.

The operations up for sale are in Taiwan, Hong Kong, Singapore, and South Korea. Lioyds is to sell branches handling trade finance and other Lloyds is to sell branches handling trade finance and other corporate activities, though they are a relatively small part of its remaining international activities.

Yesterday the bank declined to comment on reports that its operations in the four countries were mades sele-

tries were us for sale.

There was no immediate indication of who likely buyers might be, though the operations could be attractive

to a number of purchasers, including European and Japa-nese banks. Lloyds is not considering a sale of its lucrative private banking operations in Hong

Kong. Lloyds has pulled out of the North American market in the last two years, and, in June this year, sold its 12-branch subsidiary in Portugal, the oldest fureign bank in the country, to Banco Bilbao Viscays of Spain.

Lloyds' determination to ahandon most of its traditional maskets occurred by

markets oversees has puzzled its competitors and led to claims that it is slimming itself down for a takeover or merger with a larger European bank later in the decade.

#### 36p interim from Cambridge Water

Cambridge Water has declared an interim dividend of 36p and a second payment of a similar amount will be made by March 31. Recummendation of a final will be made in July.

The company is changing its financial year-end, and the current period will cover the 15 martin to March 31 1997.

15 menths to March 31 1991.

For the six months ended June 30 1990, tarnover came to 15.00m and pre-tax profit to

## MAI up 19% and looks for expansion

MAI, the financial services and market research company, increased pre-tax profit by 19 per cent from £55.2m to £65.6m in the year to June 30.

Turnover rose 10 per cent ahead at \$376.7m (£342.9m). The figures were affected by the October merger of the media division with part of the French company Havas to create Avenir Havas Media, accounted for a conscient accounted for as an associate in which it now has a 20 per

cent dake.

Mr Clive Hollick, managing director, said the Avenir deals had generated £110m and the group now had cash resources of £150m. This would enable it to pursue expansion plans, such as building up the market research business internationWhile interest charges had nearly trebled to \$3.5m (£1.2m), the group would be a receiver of interest this year.

About 57 per cent of operating profit came from money and securities broking. The contribution increased to £37.4m (£32.2m) on turnover of £231m (£199.1m). Mr Hollick said the best performances came from foreign exchange and US government bonds. Corporate bond broking had

had a tough time and one of the businesses had been closed to concentrate offert on MKL This market remained dull.

In retail financial services operating profit grew to £9.5m (£7.1m) on sales of £69.3m (£55.9m). Wagon, the instal-

ment credit house specialising in car loans, performed well in spite of tough conditions caused by high interest rates. Mr Hollick said it had been Mr Hollick said if had been tightly run and had focused on good quality business. Nevertheless, it was feeling the effects of the squeeze through an increase in bad debts.

The 205 shops in the Ksywest retail insurance chain had

been renamed Safeguard. A substantial increase in profit

The information division saw a much bigger increase in sales, to £49.3m (£14.2m), than in profit, which doubled to £4.8m (£2.3m). NOP and MIL, the market research companies acquired last year were still being integrated, said Mr Hollick. "We are beginning to see a margin improvement." Media, the division involved in the Avenir merger, increased profit to 217.4m

(£14.7m). Mr Hollick sounded a warning note about the effect on group profit of sterling's strength against the dollar. "On today's exchange rate, our profit for the past year would have been £4m lower."

The geographic division of group profit was: UK 40 per cent; US 34 per cent; continental Europe 23 per cent; Pacific 4

ner cent. Earnings per share rose to 12p (10.3p). A final dividend of 3.6p makes a total of 5p (4.5p). See Lex

## Polypipe bucks trend with 20% improvement

By Richard Gourlay

POLYPIPE, the plastic pipes, profiles and fittings manufac-turer, yesterday brushed aside the pervasive market gloom to announce a 20 per cent increase in full year pre-tax profits to £18.43m.

profits to £18.43m.

Sales grew 12 per cent to £70.58m and a final dividend of 2.4p (2.08p) is recommended, bringing the total to 3.5p (3p). Earnings per share rose 12 per cent to 18.25p and the shares closed unchanged at 112p.

Polypipe's relatively low reliance on the new building market left the company well protected from the sharp downturn in the construction industry, the company said.

industry, the company said. Only 12 per cent of turnover was derived from new build-

ing, said Mr Kevin McDonald, chairman, while sales for refurbishment purposes remained

Much of this was connected with planned local authority repainting programmes, including the replacement of

drain-pipes and gutters.
Polypipe ended the year with no gearing and £2m of cash.
This was after £4m of capital expenditure to improve margins, and £4m spent on land in Scotland and a new factory in Doncaster where the company consolidating much of its

manufacturing base.

During the year Polypipe added Derwent MacDee, the manufacturer of plastic levatories and flushing cisterns

which is also now based in Doncaster, financing the pur-chase with a share placing. Mr McDonald said the ration-alisation and centralisation of operations had led to increased margins and lay behind Polypipe's success. Also the addition of new materials-handling equipment had led to lower wastage levels,

O COMMENT

If the economy moves into full-blown recession, even Poly-pipe will be unable to continue pushing its earnings, sales and margins ahead with such aplomb. Until that day, its formula of maintaining a low cost base and low prices, and its continuing cash investments in

cost-saving machinery for the companies it acquires makes Polypipe look a sound defensive play in gloomy times. While the market it serves is unlikely to show the 30 and 20 and 30 per cent growth it enjoyed in 1988 and 1989, Polypipe can probably look forward to an increased share of that market. It also enters what the chairman recognises will be a chairman recognises will be a tough year with no gearing and a modest war-chest with which to relaunch itself on an acquisition trail. A prospective multiple of less than 8, assuming pre-tax profits up a conser-vative 9 per cent at £14.6m, adds reason for support of the share price in the current mar-ket.

### Spurs pick new advisers

London football club where secret negotiations with Mr Robert Maxwell fuelled a boardroom rift and triggered the resignation of its financial advisers, has filled two of the gaps created in its team, writes Jame Fuller.

It announced ye two Brown Shipley subsid-series had been appointed to be financial adviser and stockbroker, replacing BZW.

It was understood the appointment would enable talks to continue with Mr Maxwell, the publisher, about a possible £13m rights issue

gain a 25 per cent stake, Another possible deal excit-ing comment yesterday was a 28m to 28m injection of cash by a City institution.

Spurs is also looking for a chairman after sacking Mr Paul Bobroff when the rift wid-ened between him and Mr Irving Scholar, another director, over the Maxwell negotiations. Mr Scholar had been involved in the talks without informing the board or its advisers. The Stock Exchange is still looking into the secret deal. Tottenham did not co further yesterday.

#### Cypriot court seizes £18m on behalf of Goodman offshoot

ABP HOLDINGS, a subsidiary of the troubled Goodman Inter-national group, has been granted an intarim order by a Cyprus court freezing If20m (£18.35m) held in the account of a Cyprus import/export com-

ABP Holdings claims the money, lodged at the Bank of Cyprus in Paphoe, is its property. Mr Lerry Goodman, head of Goodman international, said it is nearly of a loop wind floor. it is part of a losm raised from Barclays Bank, Dublin, earlier this year. The Cypriot com-pany is contesting the claim.

#### Pressure on margins leaves Norish down sharply at I£325,000

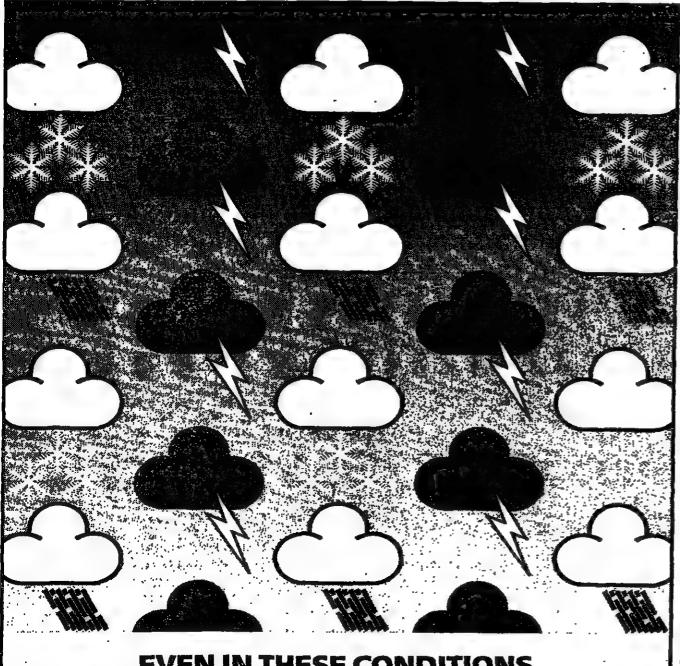
Norish, a food storage and distribution group based in ireland, reported taxable profits down from I£826,000 to 12325,000 (£297,000) for the six months to June 30.

3,445

11.7 2.

Turnover was higher at E10.39m (RSm), but difficult market conditions, especially in the first quarter, put pressure on rates and margins and trading profits fell to 12575,000 (R1.03m).

Earnings per share fell to 2.86p (8.2p), but the interim dividend is maintained at



## EVEN IN THESE CONDITIONS WE HAVE MAINTAINED PROFIT GROWTH.

PRE-TAX PROFITS UP 12%. EARNINGS PER SHARE UP 14%. Figures like these show Hays has maintained good profit growth despite the present financial climate. It just goes to show that we're more than a fair-weather company.

PRELIMINARY FINANCIAL HIGHLIGHTS Year to 30th June 1990 (Proforma\*) PROFIT BEFORE TAX PROFIT AFTER TAX

(Attributable to Hays Shareholders)

**EARNINGS PER SHARE** 

**NET DIVIDEND PER SHARE** 



THE BUSINESS SERVICES GROUP

. This announcement appears as a matter of record only.

Northern Electric plc

£225,000,000 5 Year Revolving Credit Facility

#### BARCLAYS SYNDICATIONS

**Barclays Bank PLC** The Fuji Bank, Limited

Deutsche Bank Aktiengesellschaft, London Branch The Sanwa Bank, Limited

Union Bank of Switzerland, London Branch

Barclays Bank PLC The Fuji Bank, Limited

Deutsche Bank Aktiengesellschaft, London Branch The Sanwa Bank, Limited Union Bank of Switzerland, London Branch

Bayerische Landesbank Girozentrale

The Long-Term Credit Bank of Japan, Limited

The Dai-Ichi Kangyo Bank, Limited

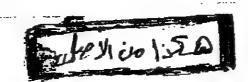
The Sumitomo Bank, Limited

Amsterdam-Rotterdam Bank N.V. The Industrial Bank of Japan, Limited

Hessische Landesbank - Girozentrale, London Branch The Mitsubishi Trust and Banking Corporation The Toronto-Dominion Bank

**Barclays Bank PLC** 

BARCLAYS



#### **UK COMPANY NEWS**

## A stake through KB's heart?

David Lascelles on the merchant bank's public agony over Premier

LEINWORT Benson is suffering an experience a profound and very public

For the last seven weeks, the group, which is the UK's sec-ond largest merchant banking group, has been nursing a huge loss-making position in the shares of Premier Consolidated Oilfields, the independent UK

oil company.

The cost of financing the position alone is nearly 2400,000 a week or 22.8m so far. The paper loss on the holding at yesterday's price is

In spite of constant reports in the market that the shares have been sold, Kleinwort is believed still to have them on its books, though Mr David Peake, chairman, declines to comment on rumours. "We are trying to find a solution which is satisfactory to us and fits in with the views of our clients, he said yesterday in his first public remarks on the deal Kleinwort is both stockbro-

nent

2232500

ker and merchant bank to Premier. It bought the 29.7 per cent stake in August from Burman Castrol for £138m, expecting to be able to place it with investors. But while the threat of war in the Gulf made oil a good buy at the time - and Kleinwort has one of the City's best-rated team of oil analysts it failed to find buyers. The price plummeted and the losses

began to mount.
The immediate concern is for the health of Kleinwort itself. Unless the share price rises sharply, Premier could easily wipe out half Kleinwort's expected earnings of 190m this year. This has sparked rumours that the Bank of England is pushing Kleinwort to sell out, or raise fresh capi-

Mr Peake admits that the deal was "a bad misjudgment", but denies that his bank is under any official pressure. "We have kept the Bank in the picture, and our capital ratios are well above what they need

At the end of June, Klein-wort had £509m of shareholders' funds and another £300m of loan capital. But it has had to transfer more capital into its securities subsidiary to under pin the Premier stake. And since Premier does not pay a cash dividend, there are no offsetting earnings on the posi-

Other bankers said it was unlikely that the Bank of England would add to Kleinwort's difficulties by forcing it to realise losses, particularly since its capital ratios are strong. One of them said it was more likely that Kleinwort would be given several months to find a solution. The Bank itself does not comment on individual institutions.

Mr Peake declines to discuss precisely how the decision to bid for the stake was made, but he says "the top people" were involved. The group board was informed about it at a routine meeting two days later. The board is not usually told about every transaction that goes on at Kleinwort, but Mr Peake concedes that this was one of the largest of its kind undertaken by the company.



David Peake: the deal 'bad misjudgment'

The affair has been a huge loss of face for Kleinwort which has been trying hard to establish its credibility in the securities markets - a field it only entered at the time of the Big Bang reform of the City in 1986. And some people see it as a sign that the group is failing to make the grade.
"It's an absolute disaster,"

says Mr David Pountney, the analyst who follows merchant banks at UBS Phillips & Drew. "You don't need a lot of capital to do these deals. But it has exposed the lack of placing power at KB."

He estimates Kleinwort has about 4 per cent of the market, which is about half that of nore powerful houses like

mance from the accountsney recruitment business, which contributed 32 per cent of oper-

ating profits last year. Accountants may be more in demand

than secretaries during a

downturn, but judging from the last few months' results, they are not immune to it. On

full-year profits of £60m, the

shares are probably a long-term buy on a multiple of

Shares in Musterlin Group, the USM-quoted publisher, were suspended at 37p yesterday at the group's request "pending clarification of the company's

financial position."

The announcement from the

Stock Exchange followed a period of difficulties for the

Oxford-based company. Last July it issued a warning of "a very significant loss" for the six months to June 1990.

The chairman and one non-executive director resigned at

Full year 1989 profits dived from £1.12m to £384,000.

the same time.

Musterlin

suspended

By Andrew Just

The episode also raises wider questions about block trading practice which was imported rom the US at the time of Rig Rang when sizeable financial groups like Kleinwort became market-makers. Block trading

helps market liquidity, but it is highly risky. The chief executive of another merchant bank yester-day said: "For someone with the capital and the marketmaking skills, it is something you should go in for. But you've got to get it right because the cost of getting it wrong is huge."

Shortly after Kleinwort bought the Premier stake, a similar deal occurred when Imperial Chemical Industries sold a 25 per cent stake in Enterprise Oil to Warburg and Cazenove, the stockbrokers. They successfully placed it at a

If Rleinwort is still carrying the shares at a loss at the end of the year, it will have to mark their value down to the market price in its accounts and make a provision. A new accounting rule obliging banks to do this came into force only last week, though Mr Peake says Kleinwort already has a policy of marking to market.

If and when the loss is realised, Kleinwort would make an announcement because of all the publicity over the deal.

Mr Peake says the loss will not deflect Kleinwort from its strategy to be an integrated investment banking house. "We're of a size that we can

Blackwood

#### GT JAPAN INVESTMENT TRUST.

In the year to 30th June 1990, the net asset value of the GT Japan Investment Trust rose by

Over the same period, the Tokyo New Stock Exchange Index fell by 19.6%, sterling adjusted. (Source: Micropal.)

This remarkable outperformance has made GT Japan Investment Trust the best-performing of all investment trusts over the ten years to 30th June 1990, with net asset value total return of 1175%. (Source: AITC.)



Past performance is not a guide to the future. The value of shares can fluctuate.

The Trust is advised from Tokyo, where GT has developed a major presence over the years; this depth of local experience provided the basis for a highly successful investment strategy during a difficult year.

When underlying changes became apparent in the Japanese market in the last quarter of 1989, the managers responded with characteristic swiftness.

They made significant reductions in the Trust's holdings of larger companies and of warrants; and they switched the emphasis to undervalued smaller and medium sized companies with strong carnings growth and to companies in the fast-growing semi-conductor and telecommunications sectors.

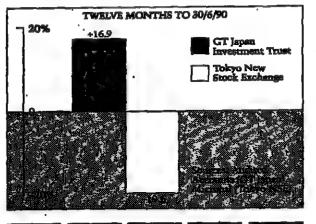


The strategy served our shareholders well in the year under review, and we believe it will continue to do so.

To find out more about Britain's bestperforming investment trust over ten years, please return the coupon to request a copy of the latest annual report.

We will also send you details of the GT Savines and Investment Plan, which offers an extremely cost-effective way to invest monthly amounts from £25, as well as lump sums (minimum £500) whenever you wish.

HOW A TOP-PERFORMING INVESTMENT TRUST ROSE TO THE **CHALLENGE** OF A FALLING MARKET.



To: Lucy Pountain, Client Services Department, GT Mana PLC, FREEPOST, London EC2B 2DL, Telephone: 071 283 2575. Please send me a copy of the latest GT Japan investment Trust must report and details of the GT Savings and Investment Plan.

NAME	
ADDRESS	
Postcops	
This advertisement has been issued by GT Japan investment Trust plc and has been approved	

## Hays advances 12% to £56m

By Androw Jack

HAYS, the business services group, announced pre-tax prof-fix up 12 per cent to \$56.2m in its first full year results since joining the market in October. The £166m flotation was the largest recent sale outside the government's privatisation

programme.
The Guildford-based recruitment, distribution and com-mercial services company, said the increase for the 12 months to June 30 was almost entirely the result of organic growth. The accounts were restated a pro-forma basis to allow

comparison with the period before listing.

Mr Ronnie Frost, chairman and chief executive, said: "I believe we have demonstrated that we are resilient in a downturn, and can perform better

than other companies." Against a background of poor results from recruitment agencies, Hays' personnel divi-sion, focused on accountancy

Cambridge Water Chine & Eastern

 $\frac{1}{|\mathcal{C}_{ij}|} = \frac{1}{|\mathcal{C}_{ij}|} \frac{1}{|\mathcal{$ 

DIVIDENDS ANNOUNCED

Nov 28

Nov 3 Nov 3 Nov 30

Dec 3 Hev 25 Hev 25 Oct 26 Oct 19 Nov 9 Nov 28 Nov 8

Dividends shown pence per share net except where otherwise stated. "Equivalent after allowing for scrip issue. tOn capital increased by rights and/or acquisition issues. SUSM stock. #For 13 monits. #US cents. #Scrip option. @Irish pence. Vinctudes special of 0.25p (0.8p).

Current

6 1.6 36 2\* 3.9

3.45 3.5 5.2 3.6

4.47**4** 2.4 0.27†

professionals, reported operating profits marginally down to

219m (£19.4m). Excluding Australia, profits rose by 2400,000, according to Mr Frost. The company opened 39 new offices. New contracts from Tesco,

Marks and Spencer and World of Leather boosted operating profits in the distribution businesses by 17 per cent to £27.7m There is a £2.8m extraordi-

pary item to pay for gift shares to senior management and bonus shares for staff.

Turnover was 15 per cent higher at 2683m (2595m), but excluding the value of orders purchased on behalf of distri-bution customers, growth in "true turnover" exceeded 20 per cent, said Mr Frost. Earnings per share are 9.8p

(8.6p). Hays recommended a final dividend of 2.35p, making a total of 3.5p for the year. The shares closed unchanged

Total last year

17 6.8

3 6.2 1.8 3.8 7.65

11.25

3.45° 11.47 3 0.8 9.5° 4.66 13.75

2 5.5 1.4 8.5

7,5 5

5.12

0.75

1.9 3.45 3.25 2.3 3.3 0.87 4.47 2.09 0.27

3.3

#### takeover speculation **COMPLEX** By Jane Fuller

Hays' three divisions do pro-vide breadth but do not make SPECULATION that BM the company recession-proof.
Long-term contracts in the dis-tribution business from major
High Street retailers and the National Realth Service look Group, the maker and distrib-nter of construction and other and of construction was about industrial equipment, was about to take over Blackwood Hodge followed the suspension of the two companies shares promising. So do unexpected windfall profits from Britdoc, a yesterday. courier company within the commercial division whose ted today. rates will rise by ip in line with a 2p increase from the Post Office for first class mail. Prospects for the full year will depend on second half perfor-

ted today.

Bit Group, which increased pre-tax profit by 37 per cent last year and has low geating, is in a good position to pick up weaker companies in its field. Its shares were suspended at 245p, giving a market value of \$1.45m.

Blackwood Hodge, a distrib-utor of earth-moving equipment, saw pre-tax profit nearly haive to £3.2m in the opening six months of the year after interest charges of nearly £9m. It also had to suffer extraordinary reorganisation costs of £2.8m, which included the closure of a Northampton

factory.
Its share price gained 5%p on Friday to close at 21p, the price at which it was suspended, giving a market value of £35m.

BM Group, which is chaired by Mr Roger Shute, made a pre-tax profit of £9.4m on sales of £96.4m in the six mouths to December 31. Its annual turn-over is thought to be about

Last year Blackwood Hodge made a pre-tax profit of £18.3m on sales of £497m, with earnings per share of 7.44p. Contributions from the US Canada and Australia helped counteract a loss by the UK

When the results were released in March; the company also announced that Mr Kenneth Scoble had resigned as managing director.

At the end of 1989, it had net assets of about £95m. It was 59 per cent geared.

## Interim Statement

24th September, 1990

The Directors of Schroders Public Limited Company have resolved to pay an interim dividend for the year ending 31st December, 1990 of 4p per share on the Ordinary Shares of £1 each and on the non-voting Ordinary Shares of £1 each.

This interim dividend takes account both of the capitalisation issue made in May 1990 (which on a strict scaling down to an equivalent basis would have reduced last year's interim dividend of 6p per share to a dividend of 3p per share) and of the Directors' expressed intention as forecast in their report issued with the accounts in April last to reduce the disparity in size between the interim and final dividends. It does not of itself imply an increase in the total sum to be distributed by way of dividend in respect of 1990.

The dividend will be payable on 8th November, 1990 to shareholders whose names appear in the Register of Members of the Company as at 18th October, 1990.

The profit of the Schroder Group for the six months of 1990. a period when conditions were more favourable than at present, was similar in amount to that for the first half of the previous year.

120 Cheapside, London EC2V 6DS

#### Arthur Wood falls

Arthur Wood & Son (Longport), an earthenware maker, reported first half 1990 pre-tax profit down from 2157,000 to £39,000.
Turnover fell to £1.55m (£1.63m) on poor trading conditions in the home market, disruption to output during

reconstruction work, and increasing bias towards second-half trading.

#### SAMANTHA INVESTMENTS PLC

E20 million Subordinated Floating Rate Notes Due 2000

in accordance with the brovisions of the Notes. notice is hereby given that for the interest period from 21st Sentember, 1990 to 21st March. 1991 the Notes will carry interest at the rate of 16.375 per cent per annum.

Interest payable on 21st March, 1991 will amount to £8,120,21 on each £100,000

> Chartered WestLB Limited Accept Bank

This announcement appears as a metter of record only.

ise om:he ch dd, ala ber to 2m

in ro-ra-5m bes of he ait-ed, xid a.

## **KAUFHOF FINANCE B.V.**

Amsterdam, The Netherlands

DM 100,000,000 Deutsche Mark Floating Rate Notes of 1990/1997

unconditionally and irrevocably guaranteed by



Cologne, Federal Republic of Germany

Issue Price: 100% - Interest: from September 25, 1990 until September 24, 1992 the difference between 27.625% p.a. and two times the respective DM 3-months LIBOR; from September 25, 1992 the difference between 24% p.a. and two times the respective DM 3-months LIBOR, payable quarterly in arrears on each payment date falling in March, June, September and December - Final maturity: in September 1997 at par Denomination: DM 10,000 and DM 250,000 - Security: unconditional and irrevocable guarantee of Kaufhof Holding AG, Cologne, Federal Republic of Germany, Negative Pledge Undertaking of the Issuer and the Guarantor - Listing: Frankfurt Stock Exchange

> COMMERZBANK AKTIENCESELLSCHAFT

SCHWEIZERISCHE BANKGESELLSCHAFT (DEUTSCHLAND) AG

**BAYERISCHE HYPOTHEKEN-**UND WECHSEL-BANK

BAYERISCHE VEREINSBANK AKTIENGESELLSCHAFT

DG BANK

LP. MORGAN GMBH

SAL. OPPENHEIM JR. & CIE.

THE LEGAL PROFESSION

The Financial Times proposes to publish this survey on: OCTOBER 19th 1990

For a full editorial synopsis and advertisement details, please

contact: Anthony Carbonari om 671-873 3412 or write to him at:

Number One

Southwark Bridge

London SEI 9HL **FINANCIAL TIMES** 



US\$ 150,000,000 Floating Rate Debentures, Series 7, due 1998

In accordance with the description of the Series 7 Debentures, notice is hereby given that for the six month Interest Period from September 21, 1990 to March 21, 1991 the Series 7 Debentures will carry an Interest Rate of 8.3 125% per annum.

The Coupon amount payable on Series 7 Debentures of US\$ 25,000 will be US\$ 1,044.84



#### **Barclays Bank PLC**

(Incorporated with limited liability in England)

Renewed offer to exchange up to U.S.\$405,970,000 Junior Guaranteed Undated Floating Rate Notes issued in November 1984 of Barclays Overseas Investment Company B.V.

up to U.S.\$405,970,000 Undated Floating Rate Primary Capital Notes Series 2 of Barclays Bank PLC plus an initial Exchange Fee of U.S.\$300 per U.S.\$10,000 principal amount exchanged

The purpose of the Renowed Exchange Otter is to replace the Notes of Berciays Overseas investment Company B.V. with new Notes of Barcinys Bank PLC which will be regarded as primary perpetual subordinated debt in accordance with the Bank of England's current requirements in relation to the capital of United Kingdom banks. Barcleys Bank PLC offers to make the exchange on the following banks:

This Notice is published, as required by the terms and conditions of the cutstanding U.S.\$405,570,000 Junes. Services of the cutstanding U.S.\$405,570,000 Junes of the State of Company B.V. (the "BOIC Notes") in company B.V. (the "BOIC Notes") in company B.V. (the "BOIC Notes") in company B.V. (the "BOIC Notes") by Berclays Benk P.L.C. (Bendays Benk P.L.C. (Bendays

Advisors to the Renewed Exchange Offer:

Kidder, Peabody International

Barciavs de Zoete Wedd

Brokers to the Renewed Exchange Offers de Zoete & Bevan Limited

The value of both the BOIC Hotes and the Prin

#### UK COMPANY NEWS

## France and Spain help Steetley limit fall

STEETLEY, the building materials group, managed to escape the sharp fall in profits which has hit many British construction insterials compa-

nies during the first six months of this year.

The group yesterday revealed that pre-tax profits in the six months to June 30 fell by only 3.5 per cent from \$50.98m to £49.19m. Interest charges quadrupled from £2m to £8.03m.

The results would have been

far worse but for a doubling od profits in France and Spain where Steetley has invested heavily during the past five

Earnings per share were 10 per cent lower at 19.58p. Group turnover increased by 16 per

cent to E374.11m.
Steetley is the largest aggregates producer in France which accounted for 26 per cent of operating profits. Overseas activities provided half of group profits.

UK profits, in line with

results announced recently by other building materials producers, fell sharply from £36.57m to £28.44m. Sales of



David Dume, chairman (right) and Richard Miles

bricks by Steetley in the UK fell by 15 per cent. Aggregate sales fell by 6 per cent.

Mr Richard Miles, managing director, warned that the second half could be more difficult. He said sales of building materials in the UK had worseped since July as the reces. ened since July as the recession in housebuilding had

spread to other areas of con-สมารณรักก Profits from France however rose from \$7.2m to \$14.6m and in Spain from £2.88m to £5.78m. The figures from both countries included first-time contributions from several new

Mr Miles said, excluding the impact of acquisitions, profits were up by 10 per cent in France and by 15 per cent in Profits from north America

rose from £8m to £7m despite a poor market for bricks in the US where house sales in parts

Steetley Pre-tax profits (2 million)

of the north east have fallen even further than in the UK. Group debt as a result of recent acquisitions had risen from about £90m at the end of

1986 87 88 59

last year to approaching £170m at the end of of the year. Gearing had risen from about 27 per cent to just under 45 per cent. This was expected to fall to 40 per cent by the end of the year.

@ COMMENT Steetley has one of the best

By Maggie Urry

mix of businesses of any UK building material company other than Redland and RMC, which have large investments which have large investments in Germany, at present Europe's most active construction market. Redland's half year results due to be published on Thursday are expected to underline the strength of the Commen market. the German market. Steetley may not be in Germany but it is doing very good business in France and Spain. France may come off the boil a little over the next 18 months but is still expected to outperform a disastrous UK construction market. Government plans to increase substantially investment in rail and roads will assist French aggregate sales. Invest-ment in Spanish infrastructure, currently rising at about 20 per cent a year is also expec-ted to remain high. Steetley should continue to perform better than most, a factor paruester man most, a sactor par-tially reflected in a price of 325p, up 1p on a day when other UK stocks fell sharply. Profits of about £100m this year (£110.93m) would put the group on a prospective p/e of about 8.5.

## Lloyd Thompson climbs 30%

By Richard Lappo

LLOYD Thompson, the wholesale insurance and reinwholesale insurance and rem-surance broker, yesterday announced a 30.4 per cent increase in pre-tax profits for the year ending June 30. Pretax profits amounted to £8.25m, compared with £6.41m a year

ago.

The performance, which was at the top end of analysts' expectations, confirms Lloyd Thompson's reputation as one of the most dynamic medium-sized London market brokers. The company proposed a final dividend of 5.2p per share net, making atotal of 7.5 net for the making atotal of 7.5 ner for the year, an increase of 25 per cent.
Mr Peter Carter, chief executive, said Lloyd Thompson has been able to win new business and retain more than 90 per cent of existing business. In spite of patchy trading condi-

S & N buys more

Scottish & Newcastle

Breweries has bought a further 10 per cent of the fully-diluted share capital of Center Parcs, to bring its total holding to 70

S & N, which acquired 60 per cent last year, said last week

that it was preparing a £180m cash offer for the outstanding share capital. The board of

Center Parcs, which operates 12 holiday villages in the Netherlands, Belgium, France and the UK, is supporting the deal.

of Center Parcs

tions, brokerage income increased strongly from £15m to £21.6m, an increase of 44 per

Lloyd Thompson's marine business, which accounts for more than 50 per cent of total brokerage, performed well, buoyed by gradual hardening of marine insurance rates, especially in the energy sector. Total marine brokerage

income rose from £8.5m to £11.5m. Market conditions are far less encouraging in the non-marine (property, casualty and international business) market, but Lloyd Thompson increased brokerage income from this source to ElSm (£2m

Brokerage earned by the group's reinsurance, political and financial risks business

It is buying outright A4 Puh-

lications and 70 per cent of A4
Publications USA, a publisher
of directories and newsletters
for the licensing industry.
Total initial payment is

for 31 per cent of total broker-age income. Hardening of rates in the specialist marine London Market Excess area has helped push up revenues here. Higher US and UK interest rates helped increase investment income to £4.7m.

Expenses rose sharply from £11.8m to £17.9m, as a result of the general expansion in business and the costs of fitting out new offices at Resulton House.
However, Mr Peter Lloyd,
chairman, said: "We remain
determined to prevent any
long-term deterioration in our expense ratio."

Lloyd Thompson has acquired sufficient space for immediate future growth at the Beaufort House location, where rental costs per square foot are lower than at the pre-

ture with Ms Carol Vorderman, a presenter of children's televi-

sion programmes. The new company will publish videos and textbooks linked to the National Curriculum for 11-16

activities together. These might be in Europe, Mr Lang-don said. However, the two were not talking about a take-

Group turnover rose 66 per cent to £75.6m. The acquisition

of Leasecontracts, a car con-tract hire business, at the end

of last year meant there was a

fall in interest receivable but this was more than offset by its profit contribution.

finance, insurance broking and architectural surveying fell,

while the Technology group,

an equipment financing busi-ness, made no money and had been reduced in size. Ellis & Buckle, a loss adjuster, increased profits.

Profits from corporate

over of Rutland.

it does not receive the £50m final payment due today on its £585m sale of the William Hill betting shop chain to Brent Walker, the heavily-indebted

GrandMet may go to

Brent Walker said yesterday that the payment would not be made. "The chaque is not in the post," it said.

Brent Walker shares had a

Brent Welker shares had a turbulent day yesterday initially rising, then falling, and finally recovering to close a net ip down at 119p.

The group has disputed the price of William Hill, which was acquired through an off balance sheet vehicle, and is seeking to reclaim £160m from GrandMet saying that profits. GrandMet saying that profits

court over William Hill GRAND METEOPOLITAN, the drinks, food and leisure group, is likely to take legal action if of William Hill for the year to end September 1989 were less than originally stated.

Independent auditors yester-day began discussions intended to resolve the dispute, which is expected to go to an indepen-

Brent Walker hopes to announce the names of two new non-executive directors when it releases interim results on Thursday. One of these could be Lord Kindersiey, a director of Lazards, the merchant bank, who met Brent Walker directors yesterday and

will again today.

The group denied rumours that it had already planned an equity issue, though it said that after the results are pub-lished it would be looking at

#### CHAUCER FOODS

Winners of the Queen's Award for Export Achievement in April, is now the largest independent crouton manufacturer in Europe exporting to customers throughout the world.

Chaucer supplies croutons under the Rochelle label to leading supermarkets throughout the U.K.. as well as croutons for instant soups, conventional soups, salad bars and snacks.

Unit 26, Brighton St. Industrial Estate. Freightliner Road, Kingston-Upon-Hull, North Humberside. HU3 4UN Tel: (0482) 588088. Fax: (0482) 588082 Telex: (0482) 592880 Telser

#### PILGRIM FOOD GROUP LIMITED

has acquired, in a 'management buy-out'
CHAUCER FOODS LIMITED the UK's leading crouton manufacturer.

The undersigned initiated the transaction and acted for the management in negotiations with the vendor and institutional investors.

Bathstrete Investments Limited ........

#### BATHSTRETE INVESTMENTS LIMITED

Business Investment Strategy Consultants

Specialists in acquisition, divestment and joint venture assignments throughout Europe for the food and drink and packaging industries including the arrangement of management buy-outs.

> Hunghele Bristol BS18 4NT 0761-490708

#### Results The Johnnies Group achieved satisfactory results for the year to 30 June 1990 in an environment

Johannesburg

Company, Limited

(Incorporated in the Republic of South Africa - Reg. No. 01/00429/06)

Consolidated

Investment

Extracts from Chairman Patrick Retief's Review

that was less favourable than that of the previous several years. Earnings attributable to shareholders increased by 18.2% to R429.6 million. Platinum

#### The Group platinum producers' financial strength, strong marketing position, extensive reserves and low-cost expansion opportunities equip it well to maintain its industry leadership.

Income from gold mining investments declined sharply owing to the combined effects of a

### persistently weak gold price, in both dollar and rand terms, and rapidly escalating costs.

Ferrochrome The recently-announced acquisition of Purity Ferrochrome by Consolidated Metallurgical

### Industries will significantly increase the Group's participation in this growing market.

Coal Tavistock is well placed to take advantage of any market growth, a position that will be further consolidated once the recently-announced R531 million opencest extension of Arthur Taylor Colliery is commissioned early in 1992.

Industrial The Group's non-managed industrial interests continued to perform well during the year under review. However, the outlook for the coming year is more subdued as private consumption

expenditure comes under pressure from the monetary squeeze. Outlook

For the Group as a whole, it has been a difficult year But, I wish to emphasise Johnnies' continuing commitment to our core areas of business. The most tangible token of this commitment is the heavy investment programme currently under way. This programme includes major expansions in Rustenburg, Lebowa, C.M.I. and Tavistock, as well as substantial expenditure on the exploration for new mineral deposits.

In the face of external and internal uncertainties, it is not possible at this early stage to make a meaningful forecast of the Group's performance for the current financial year.

The Annual General Meeting will be held in Johannesburg on 24th October 1990. Copies of the Annual Report are available from the London Secretaries, Barnato Brothers Limited, 99 Bishopsgate, London EC2M 3XE.

## Rutland shares hit on profit decline

Storm expands in US

By Paul Cheeseright, Midlands Correspondent

STORM, the Stourbridge company which created the Shoe People cartoons, is expanding in the US publishing market with its first acquisition since it was floated on the USM in December 1990.

By Maggle Urry

SHARRS IN Rutland Trust, the financial services group, fell from 19p to 11p yesterday as it announced lower interim profits and took a cantious view of the near-term future.

Pre-tax profits for the six

Pre-tax profits for the six months to end June fell 11 per cent to £6.6m (£7.42m), and after the news stockbrokers cut their full year forecasts.

Mr Michael Langdon, chief executive, said the group had taken a prudent view. It was maintaining its interim dividend of 0.27p, though this was well covered by earnings per share of 1.8p, down 11 per cent from 1.8p. An increase in the final would be considered.

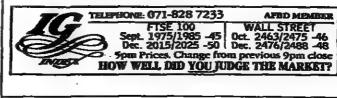
Mr Langdon said that many

Mr Langdon said that many of the group's customers were medium-sized businesses which were feeling the eco-

numic squeeze at present. How-ever, he said the group had net cash of more than gam. Rutland was discussing plans with SPP, the Swedish insurance group which bolds a 36 per cent stake, to develop

The divisional profit contributions were: head office (including interest receivable) and corporate finance £807,000 (£2.2m); insurance broking and personal financial services £1.7m (£1.5m); asset financing £1.9m (1.3m); professional services £2.2m (2.1m). BOARD MEETINGS

# to the Stook Exchange, usually held for the pur-dividende. Official indica-





FT-SE 100 Where next? Call for our current views

CALL 071-799 2233

Oct. 2 3ep. 28 Oct. 5 Oct. 2 Oct. 4 Oct. 4 Oct. 1 Oct. 2 Sep. 28 Sep. 28 Oct. 11 Oct. 2 Oct. 2

The RTZ Corporation PLC

HOTICE

To Holders of Warrants to Bearer

THE STATE OF THE PARTY OF THE PROPERTY OF THE PARTY OF TH

Hill

15.8

∘್ಷೀವ್ಯಮಿದೆ\*

LOUIS A

g 2 % μ**7%** .

1272 222

42.00

 $(x_1,\dots,x_n)\in \mathbb{R}^{n\times n}$ 

100

17.1 100

Linguage F

BRENT Chemicals International, the speciality chemicals group, increased its pre-tax profit by 11.5 per cent, from £6.11m to £6.81m, in the first half of 1990. BRENT

A strong performance from the packaging and graphic arts division, plus £1.03m of interest income, offset the contribu-tions lost through business dis-Turnover rose by more than

7 per cent to £45.11m (£42.06m), while operating profit fell slightly to £5.78m (£5.9m). Interest received ahot up by \$820,000. At the turn of the year the

group sold off its automotive and food and beverage-orien-tated businesses. This helped it to build up £29m cash, falling to £17m by June following acquisitions

The operating profit from discontinued operations was £1.3m last time, about £1m more than the residual figure in yesterday's results.

Mr Steve Cuthbert, chief executive, said the continuing activities had increased operat-ing profit by 18 per cent, the majority coming through sequisitions.

Brent's biggest business group comprises industrial, aerospace and electronics, which between them made £4.31m (£4.02m) operating profit on sales of £29.08m

(£26.29m). Mr Cuthbert said not all the turnover increase had come through as profit because it had been partly associated with building up continental sales and technical resources.

the alowest rate of sales growth, affected by slacker demand from UK metal finishing customers. Aerospace was the most buoyant, while electronics had increased share in static US

The industrial side shows

and UK markets. In the packaging and graphic arts group, operating profit increased by more than 50 per cent to £1.71m (£1.13m) on sales of £16.03m (£9.07m). Organic growth was 30 per cent, he said.

More pre-press business had been gained from supermarket chains, while packaging inks and coatings had seen particu-larly strong growth in West

Earnings per share improved

by 15 per cent to 7p (6.1p).
The interim dividend goes up to 1.6p (1.4p).

O COMMENT

Brent's spread in terms of customers and geography has helped to make it relatively resilient to recession in the UK, although its degree of comfort is partly thanks to its cash pile. The packaging and graphic arts side has bounced back after a difficult year in the contract of the con time to offset some wakness elsewhere. In the industrial area, which accounted for 28 per cent of sales, the UK outlook remains discouraging and it is to be hoped the continen-tal sales effort can provide more of a cushion. Its electronics-oriented operation also faces continued uphill work in the UK, although tentative noises have been made about an improvement in the

Pre-tax profit is forecast to rise from £12.9m to £14m, giving a prospective p/e of about 9.5 on yesterday's closing price of 137p. A strong balance sheet belps to justify its premium to a sector which has been several worse nets of results.



Steve Cathbert: continuing activities up 17 per cent

#### Interest income aids Lamont

IN SPITE of a £285,000 trading loss from recently acquired Bonded Fibre Fabric, Lamont Holdings, the textile group with interests in computing, product engineering and prop-erty, lifted pre-tax profits by 2 per cent to \$5.02m in the half-

Sir Desmond Loriner, chair-man, said a strong pound and a week market resulted in pres-sure on margins with no bene-

fit from improved sales, up from £43.15m to £52.4m includ-ing some £5m from BFF. He said interest income rose to £709,000 (£454,000) and helped to maintain profitabil-

However, margins would be reduced after investing \$10m in BFF, and until the £12m proceeds of the property disposal

was received. Earnings per share slipped to 13.79p (14.2p) but the interim dividend is increased to 3.5p

(3.25p).

A break-down of the trading profit showed: carpets £1.98m (£1.97m); other textiles £1.57m (£1.82m); computing £512,000 (£322,000); engineering £138,000

Notice to Debesture Holders

8%% Convertible Subordinated Debentures Due 2002

οÉ

**ENSERCH Corporation** 

services business to Pool Energy Services Co. ("Pool Energy"), a Texas corporation. In connection with the transaction, ENSERCH acquired 2,000,000 shares of the common stock of Pool

("Pool Common Stock"). At the time these shares were acquired, the Board of Directors of ENSERCH stated its irrevocable intent to cause these shares to be distributed pro man as a special dividend to the shareholders of ENSERCH at some time in the future.

declared. It will be distributed pro rate on November 15, 1990, or as soon thereafter as is practicable, to shareholders of record on October 10, 1990.

Practicable, to snareholders of record on October 10, 1990.

Pool Common Stock is traded on the NASDAQ National Market System of the National Association of Securities Dealers Automated Quotation System ("NASDAQ"). On September 20, 1990, the closing price of Pool Common Stock on the NASDAQ was \$171%. The approximated distribution carrie will be one above of Dool Common Stock on the NASDAQ was \$171%.

mate distribution ratio will be one share of Pool Common Stock for each 32.4 shares of ENSERCH common stock held of record.

have been converted into shares of ENSERCH common stock prior to the record date.

Under the terms of the Fiscal Agency Agreement, the Debenture's current conversion price may be adjusted to reflect the distribution of the Pool Common Stock. The adjustment would be calculated according to a formula in the Fiscal Agency Agreement. No adjustment in the conversion price is required unless the adjustment would be less than 1% of the conversion price, then it would be conversion price along with any subsequent edinetment, until the conversion price, then it

price by at least 1%. It the adjustment would be less than 1% of the conversion price, then it would be carried forward, along with any subsequent adjustments, until the amount equals 1%. If any adjustment of at least 1% of the conversion price is required, notice of the adjusted price will be given as is required by the Fiscal Agency Agreement.

This notice is being given for the sole purpose of satisfying the requirements of Section 14(j) of the Fiscal Agency Agreement pursuant to which the captioned Debentures were issued.

**BRASOIL U.K. LTD.** 

US \$25,000,000

CREDIT FACILITY

arranged and provided by

**BANK OF SCOTLAND** 

INTERNATIONAL DIVISION

The Pool Common Stock will be distributed only to holders of record of ENSERCH common stock. Debenture holders may participate in the special dividend only if their Debentures have been converted into shares of ENSERCH common stock prior to the record date.

A special dividend consisting of the 2,000,000 shares of Pool Common Stock has now been

KNSERCH Corporation previously announced the consummation of the sale of its oil field

MOTICZ OF OPTIONAL REDEMPTION

STATE BANK OF INDIA

USD 100,000,000 PLOATING RATE NOTES DUE 1997 Notice is hereby given, in accordance with the Conditions of the Notes, that the Benk will, at the option of the holder of any Note

em such Note at its principal amount on the Interest Payment. To exercise such option the bolder must deposit such Note, together

Payment Date, at the office of the Flucal Agent at 25 Monument Street, London ECSR SBQ not earlier than 25th October 1990 nor later than 23rd November 1990. Any Note so deposited may not be withdrawn without the prior written concent of the Bank. .... Interest due on 24th December 1990 will be paid in the usual manner against presentation of Coupon No. 10.

Dated September 25, 1990

This announcement appears as a matter of record only.



(£123,000); property £330,000 (£397,000); less central expenses £213,000 (£165,000).

NEWS DIGEST

Inishtech moves ahead strongly

including a first time contribution from Doryhurst Group, Dublin-based Inishtech made pre-tax profits of I£2.92m (£2.68m), in the half year ended

That compared with III.65m for the six months ended September 30 1989, and was generated from turnover of killism (I£10.94m). Earnings came to 20.1p (12.8p) excluding the charge for goodwill.

The group makes disposable products, mainly tissue- and paper-based, and polystyrene ackaging products.

#### Aberdeen Petroleum doubles profits

A 25 per cent increase in reve mue from oil and gas belped Aberdeen Petroleum double taxable profits from £118,000 to

totalled £1.53m Sales (£1.28m), with contributions from two producing properties recently acquired by the group, one in North Dakota. Oil output for the USM-quoted group now exceeds 500 barrels a day for the first time.
Operating and related costs
rose to £493,000 (£319,000),

depletion came to £316,000

ENSERCH Corporation

(£535,000) and interest and other charges took £44,000 (£54,000). Again there was no

Earnings per share rose to 0.5p (0.2p).

Edinburgh Fund expands 20%

In the half year ended July 31, Edinburgh Fund Managers increased pre-tax profits by 20 per cent, from £2.12m to

After a lower tax charge, net profit was ahead 33 per cent to £1.77m, for earnings of 9.6p (7.2p) per share. The interim dividend is stepped up to 4.5p

(4.2p). At July 31 funds under management totalled £1.55bn. Discretionary represented 71 per cent, unit trusts 16 per cent, and investment trusts 13 per

Compared with the end of January, the UK accounted for 56 per cent (54 per cent) of the portfolio, North America 14 per cent (15 per cent), Pacific 13 per cent (15 per cent), Japan 9 per cent (15 per cent) and Kurone 8 per cent (6 per cent).

#### £2.6m at halfway from Global Group

Global Group, the USM-quoted shipping services, food and property combine, produced pre-tax profits of \$2.5m in the first half of 1990. The results included EIC Group, acquired Inst December There is no interim dividend;

but the group was well on the way to eliminating the deficit on the profit and loss account, and when that was achieved dividuads would be resumed. The profit was generated from turnover of £3.30m. That compared with 528.57m and a pre-tax profit of £519,000 in the seven months ended December 31 1989.

#### Berry Birch rises but again omits dividend

Berry Birch & Noble, the USM quoted financial planning company, lifted pre-tax profits from £203,426 to £283,461 in the

half-year to July 31. However, the company said it was not able to pay a dividend due to the current accu-mulated reserve position, but hoped to resume payments as soon as possible.

Operating profits rose some £100,000 to £284,105, but income from investments fell to £2,045 (£15,863) and interest receivable to \$5,230 (\$49,780).

There was an extraordinary debit of £52,402, representing further costs relating to the withdrawal from micro-elec-

Earnings improved to 2.8p (2p) per share.

#### Ibex just stays in the black

lbex Holdings only just broke even in first half of 1990 and is cutting its interim dividend from 1.90 to 19.

The USM-quoted group made a pre-tax profit of £7,000, against £1.09m in the corresponding period. And earnings emerged as nil, compared with 5.70.

Austin Benn, the recruitment agency, experienced a drop of 23 per cent in place-ments in the period, whereas ABC Contract Services

ed turnover and operating profit.
Group profit comprised. £87,000 from continuing activities, less £80,000 loss from dis-

#### 36% improvement at Fortnum & Mason

Fortnum & Mason, the Piccadilly department store, raised pre-tax profits by 36 per cent from £136,000 to £185,000 in the 28 weeks to August 11. Sales increased 19 per cent from 19.16m to £10.57m.

Mr Garry Weston, chairman, said sales in July and August had been below budget. There had been below budget. There had been some improvement in recent weeks, but, given the very strong performance achieved in the second half of 1989, the general climate of uncertainty, and the higher level of fixed costs, he said it would be difficult to improve on last year's record £1.33m trading profit.

Interim trading losses were £166,000 (£206,000), before interest received of £351,000

est received of £351,000 (£342,000). After tax of £87,000 (£50,000), earnings per £1 share advanced from 18.3p to 26.8p. The interim dividend is held at

#### Macallan improves 42% to £3.2m

Macallan-Glenlivet, the malt whisky distiller, saw taxable profits increase 42 per cent in the first bull of 1990.

Turnover was 26 per cent higher at 27.68m (26.1m) for profits of 23.24m (22.28m). The company said that there m a highe new fillings and continued growth in sales of the Macellan

malt, margins on which had increased due to higher prices. The interim dividend is increased to 0.4p (0.35p) from earnings per share of 4.59p

#### JW Spear interim loss eases to £0.85m

games and toys, reported a small reduction in first-half losses from \$299,000 to \$250,000

pre-tax. Turnover for period to June 29 1990 rose 29 per cent to 27m. Directors emphasised however, that because most of the group's sales occur in the run-up to Christmas, the half year's results give no more than a pointer to the year's

outturn. Pre-tax results were after making net stock provisions for slow moving merchandise of £123,000.

Interest payments increased from £128,000 to £157,000. After tax credits of £300,000 (£335,000) the fully diluted loss per share ne to 10.21p (10.24p).

#### Westpool Inv Trust declines to £3,88m

Taxable profits at Westpool Investment Trust fell 26 per cent to \$3.88m in the year to March 31, from \$5.25m in the previous 11-month period. Dividends from London Mer-

chant Securities, the principal subsidiary, rose from £3.25m to £3.57m. Westpool said that its share of the LMS final dividend for the year to March 31 1990 was £4.27m, this would be reflected in its 1990-91 results. Interest receivable in the period under review dropped to 128,000 (22.15m).

A dividend of 1.85p (1.65p) is recommended for the year. Earnings per share came through at 3.56p (3.78p) basic and 2.93p (3.21p) fully diluted.

#### Waterman hit by delayed projects

The delay in a small number of significant projects affected Waterman Partnership in the year ended June 30 1990 with a resultant drop in profits.

This consulting civil and structural engineer felt the biggest impact in the last quarter, and saw the year's pre-tax profits decline from £5.52m to £3.44m, after being held at £2.4m in the opening six months.

However, as the group had a strong balance sheet and was reducing operating costs in line with the expected level of business, the final dividend is again 4p, which lifts the total to 6.20 (6p). Turnover rose to £16.43m (£14.97m) and earnings

#### LLOYD**Schroders THOMPSON** Lloyd Thompson Group plc

DIVIDEND

little

changed

at midterm

SCHRODERS, the merchant

banking group, said yesterday that its profits in the first six months of this year were simi-lar to those in the first half of

last year.

As is customary, the bank gave no details. For last year as a whole, Schroders reported a 55 per cent increase to \$47m in profits after tax and trans-

fers to inner reserves. However, the group also said that conditions had deteriorated since the half-way point of this

Schroders' main sources of

income are corporate finance

and asset management, both of

chief executive, said that he was pleased with the first half because it had not been as bad

as might have been expected.

been any mega-deels, Schroders is involved in the electric-

ity privatisation, and is advis-ing east Ruropean

governments on the sale of

The interim dividend is lifted from 3p to 4p; but this taken account of Schrodern'

intention to reduce the dispar-ity in size between the interim-and final dividend, and does not necessarily mean that the total pay-out for 1990 will be reduced.

Metalrax improves

Metairax Group, the engineering specialist, increased pre-tax profits by nearly 8 per cent to £8.36m, in the first half of £900.

Mr John Wardle, chairman, said the group was very busy and the third quarter looked good. "I view the second half and the year as a whole with modest confidence," he stated.

Turnover rose 6 per cent to

Turnover rose 6 per cent to 231.43m (£29.64m). The interim dividend is raised

from 0.87p to 1p at a cost of £588,000 (£510,000), and "does not stretch our resources".

Kunnings per share were 3.61p

Societé Générale

September 1990

(3.51p).

3% to £3.26m

Metalrax Group,

state-owned enterprises.

Although there have not

By David Lascelies,

Banking Editor

Reinsurance Brokers Preliminary Results

FOR THE YEAR ENDED 30TH JUNE 1990 £.000 +44% 21,597 TURNOVER 8,351 PROFIT BEFORE TAXATION DILUTED EARNINGS 15.0 p +17% PER SHARE

Wholesale Insurance and

For a copy of the 1990 Annual Report please contact: The Secretary, Beaufort House 15 St. Botolph Street, London EC3A 7LT

7.50 p +25%

Telephone 071 247 2345



Record interim results

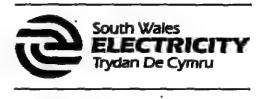
#### Six months to 30 June (ungudited)

1990 1989 £0000's 2000°a 31,425 29,643 Turnover **Group profit** before taxation 3,264 3,174 Dividends 510 Earnings 3.51p

"I view the second half and the year as a whole with modest confidence". John Wardie Chairman

Interim report. The Secretary, Metalrax Group PLC, Ardath Road, Kings Norton, Birmingham B38 9PN Telephone: 021-433 3444

This extrauncement appears as a matter of record only.



£220,000,000

Revolving Credit Facility

Arranged by

Midland Montagu

Underwriters and Lead Managers

Canadian Imperial Bank of Commerce The Fuji Bank, Limited

Deutsche Bank Aktiengesellschaft

Baverische Landesbank Girosentrale

The Mitsubishi Treat and Benking Corporation

Den Dannke Bank Aktieselskab

Agent Bank Samuel Montagu & Co. Limited





#### PRIVATE BANKING The Financial Times proposes to publish a Survey on the above on

Nh October 1990

For a full editorial synopsis and advertisement details, please contact:

Robert Forrester

on 071-873 3206 or write to him at: ber Ope, Southwark Bridge London SE1 9HL.

FINANCIAL TIMES

Midland Bank ple

The Sumitomo Bank, Limited

The Dai-Ichi Kangyo Bank, Limited

erdem-Rotterdam Bank N.V.

Bank of Wales PLC

ise on the chale ber to the its

20% 60T, DDB OC 000

in ro-ra-3m cea of he sid aid aid

## Buying to make a profit

Selling is quite rightly one of the top priorities of smaller companies. But this does not mean that the owner or manager can afford to neglect the other side of the

oin – purchasing. Along with subjects such as Anny with subjects such as design and quality management, purchasing is expected to be a key management issue in the 1990s, according to John Kelly, author of Purchasing for Profit\*, a recent addition to the NatWest Small Business

Price should be the last consideration for the purchasing manager, Kelly suggests. First priority should go to good quality which should allow the ser to reduce wastage.

Other important points are quantity – if the supplier can only deliver in small quantities handling costs will increase - the ability of the supplier to time deliveries to suit the purchaser and the

suit the purchaser and the choice of a reliable supplier.

Apart from the cost of the goods being bought the purchasing process itself involves expense. Management, administration and secretarial time will be taken an averaging. will be taken up preparing specifications for non-standard

specifications for non-standard items, finding and investiga-ting potential suppliers and samples may need to be tested. The purchaser will have to weigh up whether to buy in large quantities or to spread out deliveries. Bulk ordering, for example, sugraphes, supfor example, guarantees sup-plies since, once delivered, the items can be drawn from stock. One large order requires less paperwork than many small ones and big volumes can usually be bought at dis-

The disadvantages of bulk buying are that extra storage space may be required and should be properly costed on the basis of the rent and rates which have to be paid. A single large purchase will also the up a lot of capital if it is paid for in one instalment.

Among other topics considered in the book are how to estimate quantities; deciding hether to buy or manufac ture an item; selecting new suppliers and how to write out tanders.

\*112 pages £6.95 Pitman.

oneytop Foods turns out pittas, chapattis, tortillas and a range of other ethnic breads from its two baltaties in Hackney, East London and Leicester. While both these areas have large ethnic minority communities William Eld and his fellow directors have never seen their markets as restricted to any particular

ethnic group.
"Our objective from the start was to become a supplier to the large supermarket chains because that is where the buy-ing power is concentrated." says Eid, whose origins are Lebanese though the family lived for long time in Ghana. The decision to go for the big supermarket chains imposed an enormous burden on the company's finances - heavy lemands were put on the family savings — in its early years as it struggled to develop a range which was broad enough to meet the buyers' needs. "We products to persuade the super-markets to put us on their buying lists and to justify them sending a vehicle round," says Eid. It took five years before

Honeytop began making a profit - in 1989. Rid expects profits to continue to grow and with turn-over of £1.8m and a staff of 35 Honeytop is now one of the leading companies in its field. Kid does not believe be encountered any racial prejudice in his efforts to build the business though his decision to keep investing in new machinery during the early years of losses did prompt his bank manager to ask if he really understood the British market.

But many other businesspeople from the ethnic minority communities complein that even if they do not suffer from overt discrimination they are often the victims of "stereotyp-ing" which makes it more diffi-

cult for them to get started than for a white person.

The Lebanese and East African Asians tend to enjoy a positive "entrepreneurial" image while Afro-Caribbeans have a harder struggle. Tony Wade harder struggle. Tony Wade, managing director of Dyke & Dryden, a supplier of Afro hair preparations and cosmetics which has been established for 25 years, recalls visiting one company to discuss placing an order for its products.

In spite of asking to see the sales manager Wade was sent to see the works foreman. The gateman explained later that black people who came to the company were usually looking for a job in the factory. Based in Tottenham, North

## Breaking out of the ethnic boundaries

Black and Asian business people in the UK face constraints - but also growing opportunities, reports Charles Batchelor



London, Dyke & Dryden now employs 42 people and three years ago sold a majority stake in its equity to Soft Sheen, a black-owned Chicago-based manufacturer of hair and skin

But even the positive images can rebound. "Bank managers sometimes assume that Asian businesspeople do not need a loan because they will be able to borrow from their families," comments Sarabjeet Soar, leader of the Ethnic Minority Business Initiative, a government-backed programme to help minorities. "Yet family loans can be very short-term and are no substitute for long-term finance for the grow-ing, capital-intensive busi-

Similarly, the large numbers of Asim retailers and Chim-restaurants condition attitudes to these two communities and mean it is difficult for Asian and Chinese businesspeople to gain acceptance when they attempt to break into other

for most small businesses but it can prove a particularly high one for the ethnic minorities. "We find companies with a

refused overdrafts of £10,000, claims Simeon Grossett, dep-uty chairman of Britain's Ethnic Minority Business Federa-tion, a support group for black organisations representing 900 businesses. Bank managers often see black-owned businesses only in terms of start-ups and have difficulty taking their more sophisticated equirements seriously as they

Local authorities, despite their claims to be helping their ethnic communities, often find it difficult to put these policies into practice. Coventry Council had made just one loan to an ethnic minority business over an 11-year period, says Soar, who until recently worked in the council's economic development mit Councils. opment unit. Over the past five years, however, following a more focused approach to inner city businesses, ethnic-owned businesses accounted for seven of the 11 louns made

One reason why ethnic minority businessmen run into problems is that they often lack commercial experience, says John Meredith, manager of the S.G. Warburg Enterprise

Fund, which helps growing small businesses — Honeytop Foods among them — in Hackney. Compared with the situa-tion in US the numbers of blacks and Asians who have risen to middle management positions in large British companies is very small. Increasing numbers of second-generation immigrants are learning commercial and professional skills but it may take another generation before large num-bers of them have the expertise needed to start up in business, comments Steve Bowen, of Ful-lemploy Consultancy, a train-

ing organisation targeting the ethnic minorities. Family-run busin Family-run businesses (eth-nic and non-ethnic) find diffi-culty establishing a formal structure for handling their structure for handling their affairs. Informality can be a strength in the early stages of establishing a business but for the expanding company it can prove a liability. They rely on kitchen table chin-wags rather than minuted board meeting," comments Sarabjeet Soar, "If a kid interrupts you may think you have told me something but I may not have beard." but I may not have heard." Members of the ethnic minorities also suffer from

their lack of access to the busi-ness clubs and informal busi-ness networks which tend to ness hetworks which tend to be dominated by the majority white population. While Asians can partially compensate by using close family links black businesspeople are not good at establishing such networks. To help the ethnic minorities

overcome these barriers a range of public and private sec-tor initiatives has been taken

tor initiatives has been taken in recent years.

Fullemploy earlier this year ran a series of workshops for 250 bank managers in Birmingham, Bradford, London and Nottingham to help them understand the specific problems of ethnic minority business development.

The Ethnic Minority Business Development Team is

ness Development Team is working with the Association of British Insurers and several government departments to produce an advice leaflet on now to obtain insurance cover in inner city areas.

• The development team is

also attempting to increase awareness among members of the ethnic minorities of the the ethnic minorities of the possibility of franchising as a means of going into husiness. Franchising can help Asians break out of the niches in which they get stuck while for Afro-Caribbeans it can bridge the equity gap, comments Edward Gretton, a consultant.

Sarabjeet Soar is convinced that for the ethnic minorities concerns to be taken seriously more blacks and Asians must be represented in organisations such as the enterprise agencies and the Training and Enter-prise Councils (TECs). While there is no doubt that

ethnic minority businesses do face problems in addition to confronting their whiteowned counterparts in one respect their position has improved. The size of the minority communities in many areas is becoming sufficient to provide quite sizeable markets for ethnic businesses.

Dylo & Dryden, for example, has capitalised on the growing UK black community and the established market in the US as well as developing exports to Africa and the Caribbean. It is also, however, planning to launch into the white market in the UK.

Once a business has survived the early difficult years the problems which are specifically related to the colour of its owner diminish. "The problems we face — of finding skilled managers and finance— are the problems of any industry rather than anything industry rather than anything related to being a black busi-ness," comments Tony Wade.

## Harmony in EC export markets

Charles Batchelor on pending regulations for UK companies selling through agents

Pritish exporters often encounter problems when they use agents to sell their products in continental Europe. Unlike the UK, most European countries have legislating that legislation tightly defining the terms for contracts between exporters and agents. Exporters who are unaware of this can find themselves locked into agreements or faced with paying substantial compensa-tion. This state of affairs is about

This state of affairs is about to change as Britain introduces regulations which will implement a European Community directive aimed at harmonising agency law. Businesses have until the end of this month to until the end of this month to comment on draft regulations which have been prepared by the Department of Trade and industry. The Confederation of British Industry and the Institute of Directors report a flood of submissions from their members concerned at details of the draft.

By bringing the UK into line

of the draft.

By bringing the UK into line with continental practice the new regulation should mean that British companies are no longer surprised by the sort of agreements they are expected to sign with continental agents. But they will have to adapt to a more highly regulated way of doing business.

An important concern of organisations like the CRI is that the UK regulation as drafted gives unduly advantageous treatment to the agent. By introducing the new rules

by introducing the new rules in the form of a regulation rather than a Bill they will also escape full debate in Parliament, says Linda Jackson of the CEI's legal department. Concern about the new rules

has been expressed by both large companies with their own legal departments and by small businesses, says Jackson. small businesses, says Jackson. Submissions to the CRI have emphasised the need for tightly drafted rules which clearly define what is meant by an agent and which close off loopholes which would allow agency agreements to be drawn up avoiding the EC

The new regulations will require all agreements to be in writing and the precise method and amounts of payment to the

agent must be specified. They also set down the notice period required to end a contract and what payments would be due after termination. At least one anter termination. At least one month's notice is required during the first year of the contract rising to at least three months' notice during the third and subsequent years. If the two sides agree to longer periods of notice the account. periods of notice the exporter must not be allowed a shorter notice period than the agent so that equality is maintained.

The exporter must compensate the agent for the "losses, liabilities, costs and expenses" he has incurred as a result of the termination of the contract. Compensation must take into account the commission the agent would have earned if he had continued doing his job and the exporter had derived a substantial benefit from the

agent's work.

The regulations will also limit the freedom of the exporter to restrict the agent's activities after the contract had been terminated.

#### Exempt

The EC directive, which draws substantially on West German agency law, was agreed in 1986 but Italy is exempt from the new rules until January 1993 while the UK and Ireland have until 1994 so British companies still have time to adark

time to adapt.
But even without changes in European law exporters must still take cere in drawing up agency agreements. Issues they must consider include deciding must consider include deciding which territory a particular agent will cover; whether the agent is given exclusive rights to the territory; products covered by the agreement; and how payment is to be calculated and made.

"Avoid entering into an

"Avoid entering into an agreement for an unspecified period which leaves you with an open-ended commitment," warns the British Overseas Trade Board's Guide for

Trade Board Reporters.
\*Available from Department of Trade and Industry, 1-19 Victoria Street, London SW1H 06T. Model agency agreements are also available from UK Chambers of Commercs.

#### BUSINESS OPPORTUNITIES

## FOR SALE PROPERTY INVESTMENTS

- \* 4 high quality retail units in prime High Street locations
- \* Fully let to blue-chip covenants
- Realistic initial yields
- To be sold as one or in individual lots of £250,000 upwards

Por further details piease write to Bravelouse Limited, Jeant Street, London WIY SRE, or telephones 671-491 2728.

#### IBM PROCESSING

A major multi-regional financial institution with a large, secure Data Centre close the City has excess capacity on a long-term basis for both IBM and Tandem systems. The Data Centre embraces all disciplines and is exclusively plank applications across a wide range.

The Managing Director invites interested similar financial institutions to contact him with a view to discussing potential joint ventures, sharing of facilities or provision of services. This Data Centre has a long-term commitment from its owners and is therefore seeking potential partners on a long-term basis. Write in whiteent confidence to Bas No. 147906 Firmulal Times

London SE1 9HL

#### ? EASTERN EUROPE?

We are a major firm of international economic advisors, well experienced and established in the Eastern Bloc countries. We started operations in the U.K. to provide companies with the opportunity to share our knowledge and increase their

For further information please call: TREBAG UK 2, Bedford Square, London WC18 3RA

business and profit through these markets,

Tel: 071-580-4766

POINT OF SALE INSURANCE SYSTEM Fully developed Factfind, needs analysis and client reporting system. Laptop, LAN, UNIX, IBM & DEC versions available. Advanced software tool-kit included for graphics, reports, system definition etc. SOURCE CODE AVAILABLE

Fax: 071-631-4659

Preliminary Announcement TO LET EARLY '91 60 BED NURSING HOME

enjoying excellent reputation and position in affluent B. Anglass lown.
Completely refurbished to highest standards. Anticipated income for '91
£700,00+. Companies or individuals with first class covenants apply

Box H7322, Financial Times, One Southwark Bridge, London SE1 9HL.

Telephone: 0001 - 952549 (Jim) Telefax: 0001 - 952554

## DEL SOI

Our client, Klinik Del Sol Management & Betriebs AG,

#### participation in a private acute care hospital

The "Del Sol" group owns real estate, through a Swiss Holding Company, in the most beautiful part of the ses shore at Costa del Sol (Marbella-Estepona), Spain, with the necessary permit for the construction of a private, 105-bed soute care bospital.

There is no private acute care hospital on the Costa del Sol between Malaga and Gibraltur, yet more than 150'000 foreigners reside there. In addition, millions of tourists spend their variation at the Costa del Sol every year.

Participation is in Swiss francs. The chosen financial structure is expected to yield interesting income and tax benefits. Interested persons will receive a detailed, informative brochure



HANKIN W& A Consulting AG Bellerivestrasse 3, 8034 Zurich, Switzerland, Telephone +41-1-383 97 01, Telefax +41-1-383 97 22 Partner of M&A (Merger & Acquisition) International Ltd, London and Atlanta (US)

#### £120,000 GROSS PROFIT

- Manage your own MAYLAND regional distributorship selling a unique estellite T.V. system by a proven method within your own exclusive territory in a unfully expanding marketphace.
- An initial cost of £[4,000 + VAT secures a stock, training and material support package so

o find out more telephone MAYLAND SYSTEMS LINCTED OF (0332) 385728 or 669023 (office bra)

#### U.K. MORTGAGE MARKET

Institutions looking for entry into the UK residential mortgage market at £50 million plus per annum.
If you are looking for:

Low % of loan to value, above average spread and full admin service. Please express your in terest to Box F9994, Financial Times, One Southwark Bridge,

London SE1 9HL

#### Well known and respected U.S. company supplying systems to automate manufacturing and distribution operations seeks additional product(s) for the North American market. The company, located in the north-eastern U.S., has excellent marketing, engineering, manufacturing, installation and service capabilities and reputation.

Written answers to: Box No. F9990, Financial Times, One Southwark Bridge London SE1 9HL

#### Housebuilders Receivers -Liquidators-Property Financiers LAND WANTED for housing sites

Substantial funds available for purchase of housing sites in the Home Counties or the South East. Reply in confidence to Greg Fry, ST GEORGE PLC, St George House, The Green, Twickenham, TW2 5AG. Fax: 081 755 3659.

## We say this is no year to let your customers sit on

in a year when business is tough, money talks.

YOUR ASSETS. customers by removing the need for you to blood up to the need for you to the need for your to The companies with the cash are the companies with the opportunities. The companies with the best customer relationships are the ones with the chances of

developing best. You agree? Shake hands with Kellock. Our business is helping your business with just those two things. We'll improve your cash flow by

paying cash for your domestic or

This will improve your relations with your

business too. To be faster, more responsive, more helpful. That helpful attitude is known as The Kellock

Factor. It's made us the fastest growing company in our sector - and won us the Factors Chain International Import Factor of the Year' award. Isn't it a factor you should consider? Use the coupon.

PERCIAL R

AIR CO

.

\* N. . .

Page .

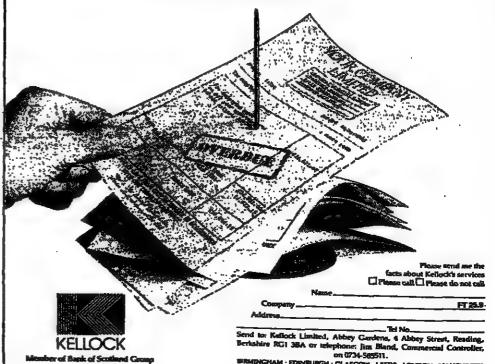
WEST

We'll be quick with you, and petient with them.

We have to. We know how important customers

are. We're knocking ourselves out to build a

That's the Kellock Factor.



#### PRIVATE COMPANY

Midlands area is looking for an experienced business partner able to between £500,000 and £1 million is a substantial travel agency business. Toguity stake and full management control of the business is offered in The firm community operates as a subsidiary of a private owned Holding my and a new profit-motivated Managing Director is urgently needed.

rosted please Write to Box F9993, Financial Times, One Southwark Bridge, London SE1 9HL,

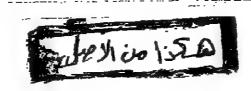
FINANCIAL PLANNING & INVESTMENT MANAGEMENT COMPANY Finder member, with maximum authorisation, based in the South East wishes to embark on a development strategy utissing its experienced and

Wisness to cannak the second of the second o

8ANK Serious BANKable

offers for this registration plate. Write Box H7323, Financial Times, One Southwark Bridge, Loudon SE1 9HL.

Industrial Computers and Inter-Company, est.12 years, t/o E2M, has exciting fiew industrial company with potential to double turnown, needs-E250k to bring inconsistify to market. Business plan shows 15% not profit on sales before tor



ng sts an nto ul-ole sts rai

ge ets od

to :ti-ta-

ng
nd
en
ushe
urler
eir
the

rot

ot-cle se, cts :k-ter ec-ng he of

e

ast na-up nd ion les

in ro-ra-3m ser of he sit-ed, aid a.



esulang.

-87 C345.

 $= \left( \frac{1}{2} \frac{1}{2}$ 

'CRACKSHOT'

**CLAYPIGEON SHOOTING** FIRST CLASS BUSINESS OPPOYTUNITIES

Agents required "CRACKSHOT" SIMULATED
CLAYPIGEON SHOOTING
C.A. CHATTAWAY & CO LTD

We are a well known company in the rapidly expanding field of occupational psychology. We develop and sell a range of

enable us to take advantage of concrete new opportunities presented by existing and prospective clients.

Box H7326 **Anancial Times** One Southwark Bridge

If you are competitive, efficient and quality conscious, phone or write

DON'T MISS YOUR **GOLDEN OPPORTUNITY:** THE REBURTH OF EAST

non-repeatable excellent New Markets, Joint Ventures and Acqueitions

#### CAPITAL GAINS TAX

in certain instances, by milidag the able to recoup the fax strendy paid slong with interest on the tax. everyate this can often be achieved by limiting your capital commitment, into new qualifying assets to no more than 10% of the sale proceeds. Committee commendent Companies, partherships and jedykhaży who have disposed of spch assets for a consideration

SIMULATED

with a new up-market Product provide ICCIOOL Sport, suitable for Hotels, Pub Conference & Leisure Centres.

personality and ability (psychometric) tests. Further development funds and/or trade partnership would

For further information and a preliminary discussion, please write

Peter J Garrini Ltd, 23 River Park, Boxmoor, Hemel Hempstead, Herts, HP1 1RB Tel: 0442-54675 Fax 0923 34431

Contact: G.A. Associates (Hotelings) Ltd., 36, Gillinghum Street, London SWIV IHU. Tel. 071 873 8625

#### RECOVER YOUR

If you have actiled a tax liability or expect to have to do on in the none fainter on the disposal of business assets (and and buildings, goodwis, plant, milk/potato quotan, etc.) and you have been mabble or unwilling to roll-over into replacement and remain within your if your date limit, we may be in a position to help you have to be a position.

Touche

Ross

euch assets for a consideration of £250,000 or more are invited to contact:

#### PSYCHOMETRIC TESTING

#### ARE YOU SHORT OF NEW ENQUIRIES/ORDERS

Top sales director successfully representing several engineering sub-contractors is looking for increased cover in iron castings, presswork, general machining, sheet metal work, electronic components and other items.

BRITTANY

## Old villages in stones for sale in the middle of an

international golf course located along the atlantic For full information please to Gillo GAULTUR c/o Minius BOUTET - Novem Rec des Forges 5640 LANGUIDIC - FRANCE Tel: 010 33 97 65 86 02 Paz: 010 33 97 65 11 13

#### Berkeley Square $_{ m W1}$

Immediately available houriously furnished, self-contained. air-conditioned office suites with full service/term by arrangement.

For full details please contact: Nightingale Secretariat. 3 Berkeley Square, London, WIX 5HG

Tel: 071-629 6116 Fax: 071-491 4811

## ally active group of companies from Sw GENERAL DISTRIBUTION

for Great Britain and several other countries. The product is an absolute novelty in the credit card sector. Very interesting for companies and individuals with contacts to banks, insurance companies, large firms, department stores, stationary stores, credit card institutes, mail order companies (catalogues etc.. The patented Swiss product which has been awarded a gold medal at the international inventor's Fair 1990 has great market potential. Marketing concept including video and brochures available. Joint venture venture required. For a first contact please write to the following address and include your exact address, telephone and belocopier number:

ICT Engineering SA, Trede Company, Hirschmattstr. 29, CH-6003 Luzern Fex: 041/23 70 07, telex: 862821.

#### BRIDGING LOANS SHORT TERM CAPITAL Very last linence for property owners. Schemes for rolling up charges, non-status, and for any purpose. No arrangement or committment fees.

CASLEY FINANCE LTD 9 Artillery Lene, London E1 7LP Tel: 071-377 E484 ; Fam 071-377 0032

PROPERTY - EQUITY PARTNER REQUIRED Property entrepreneur with exceptional track record, having successfully built up and sold a quoted property company, now seeks a substantial financial partner to take advantage of some exceptional high yielding investment opportunities available in the current depressed market. Replies in the first instance to: Box F9912, Financial Times, One Southwark Bridge, London SE1 9HL

This advertisement has been placed by Sabrelanor Limited which is authorized by FIMBRA.

ENGLISH AS A FOREIGN LANGUAGE

gnage School in Canterbury, England seeks full and part-time Sales Consul-tants to represent us to Industry and Commerce in any of: Munich, Berlin, Frankfurt, Stockholm, Madrad, Bar-celona, Billano, Lisbon, Oslo, Helsinki, Vienna, Athena, Brussels, Zurich, Geneva, Tokyo, Osaka.

Pax: Lynn Pynn 227-459007 (UK).

INCOME PROPERTIES - U.S.A.

The following properties are

"Salem, MA - 4 units £145k "Lynn, MA - 16 units £575k

MANY MORE AVAILABLE

Contact: The Investor Group

Tel: (508) 744-9414 (USA)

EXHIBITION

ORGANISERS

Assistance available for

exhibition organisers who

want to start their

own business.

Contact in complete confidence:

Vivian Ashworth, Chairman

EXPO INTERNATIONAL,

402 Southbank House,

Tel: 071 582 9116

FMS 071 522 4274

INVESTMENT IN LT.

We are a 21m LT, and Computer services company that invites investors and principals to discuss investment and expansion oppor-tunities.

Our strategy is to create a strong merket orientated group through mergers, acquisitious and invest-

## OSC

We have all the services in Duesseldorf you need for your successfull

abroad! OFFICE+SERVICE-CENTER
INTERIM-BÜROS GMBH atrafic 74 • D-4000 Disselderf

representation

### Tel. 021 1/36 77-0 • Tele(ax 36 77-100 WATER QUALITY

Young progressive company seeks capital/partner for expansion Please write to Box F9996,

#### PRINTING AND

Francial Times, One Southwark Bridge, London SE1 WHL

TYPESETTING company in Kent, currently generating cash but needs management and sales effort. Owner willing discuss salary, sales commission, controlling or minority equity stake.

Write to log F9996, Pleachd; Times, One Seathwark Bridge, London SE1 9HL.

#### crosslink international

Your office is BRUSSELS WARSAW BUDAPEST NEW YORK WASRINGTON D.C LOS ANGELES

Tel: Landon +44 \$1 207 3099 Brussie + 32 2 239 7900 USA 105 fine 800 776 8330

SAN FRANCISCO

#### INTERNATIONAL GROUP

Providing catering and security services to blue chip clients in Africa/Middle East sceks joint venture partners to achieve planned expansion and exploit usiness opportunities in similar markets.

Prinicpals only, write Box F9997, Financial Times, One Southwark Bridge, London SE1 9HL

#### RETTREMENT VILLAGE

Nursing home project approx. 15 miles from expanding London's third airport. Stansted.

2 acres residential dev. fand with farmhouse and planning permission from 21 sheltered bungalows - land available to increase to 36 miles. Owner seeks nartine/acapital

Write to Box H7327, Financial Times, One Southwark Bridge, Lendon SEI 9HL

#### ITALIAN AGENT Well comblished English speaking representative with all facilities in MILAN could rate on additional b

or selling agencies. For further details plea Box No. H7305

Andre R. Sil.

MORTGAGES On Communical & Industrial Prope, at prime rates 5/10 years, interest or Minimum iona £500,000.

Europe's leading Planter Committees BUSSCH DYT (Planteled Services) LTD 15 Bericky Street, W1 Tab 071-429 5001 Fam 071-409 0419

#### TOP LEVEL

Chief canostive with wide experience in nervies and consumer goods industries, UK and overseas, is available to develop growing instance or revive alting com-pany. Si location preferred. Please write in strict confidence to: Write Box P9975, Photogial Times, One Sunfactor Bridge, LONDON, SEI PHL

PRAGUE -5400 saft comprising 3 floors of modern block telephones and telex already installed. (To let)

MOSCOW -2 ha. in centre for use as 5 star hotel/conference and offices. (For sale as

EAST EUROPEAN A P I T A DEVELOPMENTS Fax: 071-233 5842

### A WORK AND BUSINESS OPPORTUNITY IN PUBLIC SECTOR CONSULTANCY.

The Managing Director of public actor services Ltd wishes to take a working partner, preferably someone with local government experience (40-55) and who is able to generate business and wishes to run an existing successful operation.

Buy in - half share £20,000 then buy out balance from existing Managing Director in agreed short time space. Contact Colin Raymer PSS Ltd 5 Water Lane Lincoln LN1 1TY 0522 544458

#### COSMETICS AND

TOILETRIES Contract manufacturer has additional capacity for filling, iquid, cream and alcohol products, small run lipstick production also available long or short term contracts wel-

Write Box H7307, Financial Times, One Southwark Bridge London SE1 9HL.

#### VERY EXPERIENCED EXECUTIVE Raight of the realm, now a Countlema in Technology Lesdership coming to east of preach project, new looking for next major essignment. Plane write to Bes 19995. Scienced Times.

Specialist UK Supercharge

Manufactures requires substantial financing in excess of 200k. Large share stake available. **Financial Times** One Southwark Bridge London SE1 9HL

#### KNIGHTSBRIDGE 2050 aq ft

Ideal start up accommodation in prestige West End location. Telephones and fax in place. Parking space negotiable Immediate occupation. Centact Mr Rorn 871 225 3911.

CRECULE PRESSIOLD PROPERTY OPPORTU-NTY. Preshold Isulating stemmeroid 680 sq.R. + 3 and bed sparts. Superb condi-tion DAG, CRI. Tel owner 071 734 6277 for cheelin.

REAL ESTATE PROPERTIES IN USA
One of the fire eafs barbours to a time of turnost and uncertainty is long to

Each building leased to one tenant.

Each tenunt is a majorwide or world-wide operating company listed on the New You Stock Exchange.

All lease agreements are "Driple Net" with all costs paid by the tenunt freal estate tax, insurance, resimbalismes, etc.).

All long term lease.

-ring armilable up to 75%.

Legal structure, tax advice and property management through our specialists to Mistri and Omeva.

ORION EVICTORIAL MANAGEMEN (10). 200, South Electyte Soulevard Suite 4910 Microl, Florida 33131-2430 ORION INVESTMENTS & TRUST LTD 15, see du Condrier 1201 Geneva

Tel: +4122/732 4805 Subsidiaries in Montreal and Amsterdam

SAFARIS. UNIQUE ADVERTISING OPPORTUNITY LONDON Chizavan 1º Arighibiota Apraet from the Jover I marine on day signaturing in a course of the cheer.

We are maticing available the opportunity for exclusive rights on an annual basis, to advente on the substantial surfaces of this new turbo-prop Alcossis, which will operate under Seephine Salaris' C.A.A. Air Operators Certificate.

If your company is interested in advertising vis this new, exciting and highly visible medium, then please write in confidence to:- Mr Robin M. McCenthy, Septiane Safarie, 17 Heroid Close, Thorpe Marriot, Norwich, Norfolk, NRS SUE

London Based Financial Publication of 14 years, specialising in Middle East with global client base, invites investments for ready projects on hand, in new titles, offices in UK&M.E. low cost base, tel/fax: (081) 518 0062

SEADLANE

#### NON-EXECUTIVE CHAIRMAN OF SUCCESSFUL

. PLC Requires further work to occupy his time. Location no problem. Write Box F9991, Financial Times, One Southwark Bridge, London SR1 9HL

### EXPORTS

International trading Co with many contacts in MidEast, Eastern Europe and Africa, see supplies of branded tolletries, perfumes, films, foods & spirits and all other quality consumables. CONTACT LONDON FAX 071 723 1564

PRINSTANDAY CONFORTURITY 10 pubble slyle houses with own pardens and communal pool, ideal letting opportunity on edge of hill vitings about 30 millutes drive insend from south soust Spain. Suit oviner wish-ing in the in area and derive intowns from letting. Opportunity to build battler 30 units i required. TithebamSASST Ltd., 14 High Street, Godalming, Burnty, GUT 101. England. Thi: 00144 4865 29625 or Pax 00144 4866 20661.

## Regent Street, W1 and

Bayswater, W2

Remaining apartments for sale in newly built developments, available on attractive terms. For information and prices telephone 081-349-3111 or 071-221-9641

#### CAPACITY AVAILABLE SOUTH EAST

Company with large modern metal forming/coating work. Value should be at least £30 Value should be at le to £100k per annum. Please fex 0903 742118

BRAINTREE, ESSEX 200.000 an ft heavy indostrial site. Ex-foundry hulldings, offices. 19 serve of lead. Prime location close to town on-tes. Promise live:

a new business a splitting redevelopment. issuing

Contact: Industries House, Dyer Street Circumster GL7 2PP Tel 0385 642042

**BUYING OR SELLING A** COMPANY?

Finance for Expansion? Gerhoff Bentley 01-748-9020.

#### Principals only to Box P9992, Financial Times, One Southwarf Bridge, London SE1 9HL BUSINESSES FOR SALE

Grand

**Opera** 

## Abbey Hill Motor Sales Limited

(In Administrative Receivership) The Joint Administrative Receivers offer for sale the business and assets of this Yeovil based Flat dealership, with a strong local reputation, especially

for second-hand vehicle sales.

☐ Tumover of £8.5m in last financial year To obtain further particulars, write to the Joint Administrative Receiver,

**BRT**International

#### 2.5 acre freehold site, with 9,500 sq ft of purpose built premises, including a large servicing area and a modern shownoom 6 service buys with modern plant and equipment ☐ Large stock of second-hand cars

Mr Peter Thurston, at the address below. Queen Anne House, 69-71 Queen Square, Bristol BS1 4AE Tel: 0272 214741. Fax: 0272 292645.

## \_\_\_\_\_\_\_

**COMMERCIAL REFRIGERATION** AND AIR CONDITIONING

- (South of England) design, sales, distribution, installation,
- and maintenance of standard and
- turnover in excess of £1.5 million pre-tex profits in excess of £0.1 million
- blue chip customer base

long trading history Potential purchasers please write to lan Smith at Acre House, 11-15 William Road, London NW1 3ER

VV LIVINGSTONE FISHER

The Acquisition & Disposal Specialists

A member of FIMBRA

## -------

the phone, right now?

Telephone 0202 528 459 CONCORDE

LUNCOINTS INS FINIDA, P.O. Box 22, LONDON WC2 SJU THERE IS MORE TO SELLING A BUSINESS THEM TIMOMO A PUTER. it takes only two minutes of your time and the cost of a telephone call to find out more about how we can help you and your company. So why not pick up

Associates in most capital cities.

DIVERCO Sell Companies Nationwide

SELLERS and BUYERS Contact in confidence:

DIVERCO LTD. 4 Benk Street, Worcester WR1 2EW. Tet 0905 22303

#### CROYDON (central)

Sales Recruitment Consultancy. Top calibre clients and

candidates. Certified figures. Immediate sale. Write Bus H7312, Females

in South East.

Please reply box H7324, Financial Times, One Southwark Bridge, London SEi 9HL

## Times, ONe Southwark Bridge, London SE1 9HL LONDON QUOTED

Fully listed on The International Stock Exchange, London. Ideal for non-EEC company seeking corporate base in Britain and the EEC. Interested companies should have 3 year track record, strong balance sheet, low gearing and profits.

Write Box H7187,

Financial Times, One Southwark Bridge,

LONDON. SEI 9HL

SHELL COMPANY

**PAINT CO** Stock and goodwill of small paint manufacturing company for sale. Located

#### Immaculately restored Grade II Listed Theatre in the tourist core of this historic City. Premises include a 650 sq. ft. shop fronting Clifford Street for ticket sales,

1,028 sear auditorium, 10 private boxes, bar facilities and seminar rooms.

Uniquely versatile for use as a National Touring House and Conference Venue.

September 1989 producing turnover in

First year of trading from



🛢 - & Rutley 071-629 8171

FREEHOLD AVAILABLE

### **Humberts** Leisure Willerby, Kingston Upon Hull - Hambersells

Outstanding Golf and Leisure Opportunity Arable land extending to approximately 159 acres. Grade II Star late 15th Century timber framed Farmhouse and Outbuildings.

Planning permission for 18 holes of Golf, Clubhouse and approval

for use of buildings for recreational facilities.

For Sale by Private Treaty. For further information please contact: Wells Cundall Commercial (0482) 25634 Ref; MH or Humberts Leisure 071-629 6700 Ref; TPHS

Tel: 071-629 6700

ASSETT BASED Marine & Leisure plc

fastest growing harbours in the Mediterranean.

Durrani Pannett & Co 0293 776411

For sale at Net Asset Value

Profitable, and with extensive interests in one of the

## PEGASUS HOLIDAYS (LONDON) LTD

The Joint Administrative Receivers offer for sale certain assets of Pegasus Holidays (London) Ltd,

 Freehold self-contained modern office block near Croydon (7200 sq ft). Leasehold shop/office premises with prominent frontage in Earls Court (5900 sq ft) 18 years

remaining with fixed rent at advantageous rates until December 2001. ICL Computer system with bespoke software for tour operator

For further defails please contact: Greg MacLeod or Alan Maynard Arthur Andersen & Co PO Box 55 1 Surrey Street London WC2R 2NT.

Tel: 071-438 3773

Fax: 071-831 1133

Telex 8812711

30 staff

in addition



#### **COVENTRY CLIMAX** ENGINES LTD

Coventry

■ £4 million order book ■ Substantial stock and Work-in-Progress

■ Diesel Outboard Engine Division

The Joint Administrative Receivers of Coventry Climax Engines Limited offer for Sale, the business, business assets and goodwill. M AQAP 1 Registration

■ Intellectual property rights to a wide range of high speed lightweight high performance petrol and diesel engines. Interested parties sbould contact the Joint Administrative Receiver Maurice Moses, Levy Gee and



LEVY GEE

## HEALTHCLUB

Very exclusive in unrivalled prosperous location North/Central Decor. London. equipment, Staff all of the very highest standard. Confidentially for sale (leasehold premises). £495,000.

Write Box H7313, Financial Time One Southwark Bridge, London SEI 9HL.

FOUR VIDEO RENTAL SHOPS based in N London & Herts, good high street

Write Bex H7314, Financial The One Southwark Bridge, Londo SE1 9HL.

premises, well established business, present T/O £300K with good potential. Will split. Price £325K.

By Direction of Joint Receivers **Clinton House Nursing Home** St Austell

Luxury recently refurbished Nursing Home Registered 45-32 singles/5 twins/1 treble (10 ensuite). T/O £9000 per week from 38. Management run. Lift, chair lift, 2 lounges, full fire regulations. Superb order throughout. Extensive quality inventory. One of the finest in Cornwall.

> Offers invited freehold Ref: 79317



#### CHESHAM. **BECAUSE YOU ONLY SELL** YOUR BUSINESS ONCE.

And you want the right buyer. With confidential briefs from hundreds of acquisitive public company chairmen who are looking to buy successful, private companies worth £500,000 to £25 million, we ought to be able to help. So if you're thinking of selling your business, contact our Managing Director to arrange a confidential discussion.



CHESHAM AMALGAMATIONS The first name to merger broking.

Chesham House, 2 Bentinck Street, London W1M 6JX. Telephone: 071-935 2748

#### **OIL INDUSTRY COMPUTER SERVICES** AND SOFTWARE FOR GEOSCIENCES

WORKSTATIONS Long established software company seeks buyer. Has offices in the UK and the USA, as well as agents worldwide. The principal features of the business are:

- Annual Sales : 52 million approximately
- User base : Greater than 500 systems
  Recurring Revenues : 30% of Annual Sales
  Regarded as market leader for Oil Industry Geoeclences
  Software
- Experienced and Loyal Team of Software Engineers and

Equity control is available to a suitable buyer. For further information please write to Box H7269, Financial Times, One Southwark Bridge, London SE1 9HL Fax Number: 571-485 1149

## STRUTT 8

NOTTINGHAMSHIRE Newerk 12 miles, Geneaborough 12 mile 34 Red Numing Home Victories Constry House basisfully converted and extended to a very high standard and set in about 2 seess of

egion £850,000 Tel. (0673) 62655 Struct & Parker, Grantson Officer (0474) 65886 Hef: 4AB/4045 The Businesses for Sale section appears on Saturdays.

To advertise in this section please call Gavin Bishop on 071-873 4780 or Sara Mason on 071-873 3308 or write to them at

The Financial Times, One Southwark Bridge, London SE1 9HL

## Large Inn with potential as Country Club, Ireland

- Fully Licensed, 10,000 sq. ft. Inn on 9 acres.
- 4 Bars, 3 Function Rooms. Spacious Residential and Guest accommodation.
- 18 hole Pitch 'n' Putt in situ... with 4 golf courses, 2 Racecourses, Fishing 'n' Shooting in the area.

  • Superb condition, Trading favourably
- •35 miles South of Dublin.
- Offers in excess of IR£ 750,000

To view, contact: Don O'Connell, Doherty Advertising Ltd. 34 Lower Baggot St. Dublin 2 Tel:764006

#### Established and profitable marine sales/repair yard

Outstanding prime international location Major residential/commercial asset base Further development potential Full off-shore status Majority interest available

> Write to: Box No H7296 Financial Times 1 Southwark Bridge London SE1 9HL

#### **HOW TO VALUE AND** NEGOTIATE THE SALE

OF A BUSINESS by Christopher Staines BSc ACA

In association with Cavendish Corporate Finance
This clearly presented manual provides an easy to follow and carefully structured approach to assist an owner in selling his business at its Maximus Value. This publication will also provide invaluable reading for advisors. business brokers, and purchasers. Key areas covered: • Valuation • Timing • Maximising Price • Business Profile

- Identifying Buyers Negotiations Deal Structuring Tax Aspects House send me [] copy/set of How to Valor and Negotiate the Selo of a Business at £71.50 each. Please add £2.50 post and packing per copy. Make chapters payable to Behr Poblications Limited
- e enclose a chequa for £ \_\_\_\_\_ se charge VISA/ACCESS AC No.
- Tel Orders: 071-636-7408 (24 hrs) Fax Orders: 071-323-2145

are on the move

BUSINESSES FOR SALE

The new address as from 24th September 1990 is:-

OPTICAL STORAGE;

COMPANY.

An opportunity to acquire

leadership in optical disk drive

A company whose primary focus has

been on R&D has been recently

restructured for market growth and

profitability with positive cash flow. This company is seeking acquisition by a

strategic partner.

For information inquiries may be

directed to:

J.A. Moak, Managing Director,

International

JHM Executive Alliance

P.O. Box 17054

Fountain Hills, Arizona 85269-7054

or Fax: 602-837-0177 (U.S.A.)

**Churchill Merchanting** 

Limited

(In Liquidation)

Bills of exchange in existence approximately £4,4 m, with

Laurence Backs, Laurence Josef Backs ACA, MIPA, MBIM

TRANSFUTER LTD.

(In Administrative Receivership)

The business and assets of the well established company,

engaged in the manufacturing and retailing of reproduction Regency style furniture, operating from lessehold premises in

Oakham, Rutland, Leicestershire and Kenilworth, Warwickshire.

● Trading as "The Table Centre"
● Strong local reputation

Cooper-Parry, Watson, Sowter & Co

102 Prior Gate, Derby DE1 1FH

(Authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business)

A CLASSIC

Rare opportunity to purchase a unique country inn

international clientele. The award-winning gournet

of sophisticated charm in recession proof New

England, USA village. Easily accessible from New

York and Boston, the Inn boasts a long history of continued revenue growth and serves a loyal,

restquirant has earned the accolade "best in the

\$5.2 million, cash. Qualified Principals only.

● Turnover approximately £700,000 ● Skilled workforce

For further details, contact the Joint Administrative Receive R. W. Leivers and M. R. Ellingworth on (0332) 295544 Fax (0332) 295600

CLARK WHITEHILL & Co

Chartered Accountants

The liquidator offers for sale the business of Churchill Merchanting Limited, a provider of short term inventory finance

Turnover in 12 months to August 1990 £1.2 m.

For further details please contact the liquidator,

approximately 30 customers.

Charle Whitehill & Co

Chartered Accountants

25 New Street Square

Tel No. 071-353 1577

Fax No. 071-583 1720

London EC4A 3LN

manufacturing

84 GROSVENOR STREET

BUCHLER PHILLIPS & CO.

**(071) 493 2550** FAX (071) 629 9444

LONDON WIX 9DF

CORPORATE RECOVERY SERVICES

#### WOUND PRODUCT MANUFACTURER

This is a profitable company located in Southern England whose principal features include:-

- \* Turnover of £2 million p.a.
- Experienced management.
- Well established customer base. Skilled workforce

For further information, please write to Box H7311, Financial Times, One Southwark Bridge. London SEI 9HL

#### WELL ESTABLISHED SOFT-FURNISHINGS RETAIL/WORK SHOP FOR SALE

Making up curtains, blinds, headboards, locee o curtain accessories, lamps, cushions etc. Business currently being run by two partners, one of whose husband is being

Other partner willing it required to continue for short period to assist am

Principals only to sook Box No. H7318 Financial Times

Landon SE1 SHL

#### LEISURE BUILDINGS COMPANY AND SWIMMING POOL COMPANY

The parent company of these two businesses is offering each for sale as going concerns. The two are located side-by-side in leasehold premises in an Enterprise Zone in a good Southern location.

Che is a manufacturer of high quality Leisure Buildings, the other a distribution of a leading range of Swimming Pools,

Combined Turnover in excess of £1.5 million

Skilled Worldorce

Experienced Management

Witte to Box No. H7304 Pinancial Times One Southwark Landon SET 9HL

#### FOR SALE ROADSIDE RESTAURANT

Modern New Purpose Built licenced circa 80 seat facility.

Alongside main trunk road. Fully equipped to a high standard. Large Car Park.

Write Box H7299, Financial Times. One Southwark Bridge, London SE1 9HL

#### FOR SALE Profficials West Yorkships increased company specialising in design and

Last years turnover in excess of \$450k giving excellent return.

Retirement of majority shareholder occuses this business to be available for sole.

Principals only to apply: PO BOX H7317 Financial Times One Southwalk Bridge London SEI 9HL

#### "MAIL ORDER COY. TRADE SALE"

Sales £6m p.a. All Cash. Ladies and Gents clothing. Big computerised Data Base. Catalogue. Warehouse £ 8 shops. Southern Region, M.D. retiring. Family of original proprietor wishes retain 25% Equity. 75% for sale at £500K, 100 staff, £1m annual advertising. Big podwill. going over 25 years, perfect snip for Plc diversifying or for far-seeing Venture Capital House. Insert new management, credit sales, enlarge catalogue and profits and sales will escalate. Less than 1% market share. With petrol up, soon reduction in base rates, home sales will rocket. Rapid Sale wanted. TELEPHONE ITALY 124 537235 between 9am and 1pm or Fax on Italy 184 53738 attention MIRIAM.

#### ENGINEERING OPPORTUNITY

Precision engineering business located between Southampton and Bournemouth. Established over 40 years. B.S. 5750, Turnover £500,000. Must relocate owing to imminent

Skilled workforce (20). Order Book. Management would remain. Ideal opportunity for similar business to expand. Plant and equipment valued at £300,000.

Best offer over £150,000.

Principals only. Fax to 0203 537028 and quote Ref. HR

FOR BALE: CO. MANUFACTURING ENERGY CONSERVATION DEVICE WITH PATENTS AND APPROVALS. PART/ALL EQUITY OF RAPIDLY GROWING SUBSIDIARY.

CURRENTLY SELLING TO U.S. UTILITIES (REALISTIC TARGET MARKET \$500M). WORLD-WIDE POTENTIAL FOR A COMPANY WITH MARKETING EXPERTISE AND RESOURCES. PRINCIPALS ONLY APPLY TO: BOX NO. H7300,

FINANCIAL TIMES, ONE SOUTHWARK BRIDGE, LONDON SE1 9HL

HEATING, VENTILATION AND ELECTRICAL BUSINESS FOR SALE

In South East London, Commercial and Industrial works. On going contracts

NIC/EIG approved, and Corgi registered.

For more information please write to Box H7331, Financial Times, One Southwark Bridge, London SE1 9HL

PROFITABLE WINDOW estic & Commercial T/O's. £0.5m to £3.5m. Most Regions MAINWARING & CO.

FOR SALE PROFITABLE RETAILER OF BED LINEN Established and profitable retailer of luxury bed linen and accessories. erates from prime London ation, Profit bejore tax £60,000

p.a. Offers knylled for the bush and not assets.
Write to Mr. J.S. Keeling.
KPMG Paut Marwick McLintock,
1 Puddle Dock, London ECKV 3PD

TAX HAVEN Small householding company for sale.
All works completed 12-18 months ago covered by NHBC, endousining given, good tay losses, with or without property. Also small building materials

ione 071 296 8000 aut. 4809

company with tax losses for sale with excellent waveless. Please suply to:Box No. H7320 Financial Times One Southwesk Bridge

Lendon SE1 981L

### Corporation PLC Eurodollor Securities PLC Pan Global Finance PLC (or your choice of name ond objects) complete with trading co

2800

Priced at 3 times gross revenues.

Full Professional Indemnity cover Corporate Realsh Tel: UK 0222 382116 Fax: UK 0222 382118

state".

Reply to:

Box No. H7332

Financial Times

Landon SET PHIL

One Southwark Bridge

PUBLIC COMPANIES

FOR SALE

First European Indemnity

BUSINESS FOR SALE - REPUBLIC OF IRELAND

Majority share of sale in Dub-lin based ceramic, floor tiles accessories, importers and dis-tributers with retail outlet. Reply in full confidence to: Groeger & Company, Chartered

52 Merrion Square, Dublin 2. Tel No. (Dublin) 760705 MICROFILM BUREAU

Central London location. Rully equipped for full range of service 1/0 £1/4 million p.a. PO Box No: H7319 Financial Times One Southwark Bridge London SE1 9HL

#### FOR SALE **SMALL**

licenced Coal Mine 20 inch high seam. Offers invited

. Phone: 0706 218125.

## FOR SALE/MERGER WEST SUSSEX

Sheet metal/coatings company with modern plant (20,000 sq.ft. factory) T/O approximately £1 million. Write Bax H7315, Financial Tines, One Southwark Bridge, Landon SE1 9811.

PRINT BROKING CO FOR SALE £1M Sales T/O

All Blue Chip accounts. Central London. Proprietor to retire after 25 yrs, Box H7316, Financial Times, One Southwark Bridge, London SE1 9HL

FOR SALE - £75,000 Long established (20 years) business dealing in club fenders. London based, Turnover 160,000, Gross profit 535,000, Ideal to run from home - part-time. John Ford & Co., red Accompany, \$62 Dawn Road, London SV/6 7EG, (971) 351-846

California Based he On-Board Cerrifort Herni Manufacturer for Sale Annual sales US \$5 million. Very profitable & fast growing. For basi production. Price guide \$2 - 3 productions in the manager million.
Million.
Write: The Corporate Strategist,
671 Clipper Hill, Danville, CA 9452

NICHE MEDICAL PRODUCTS
ANUFACTURER AND DISTRIBUTION Shong customer bose, Does not it with current group Wile to Box Number H730S Financial Times One Southwark Bidge Landon 8F1 9HL

#### Short Courses To Management Success

One of Europe's leading university management schools, Cranfield's international reputation has been built up on providing ambitious managers with the skills to excel. Our courses are designed with quality in mind, reflecting the latest thinking in management development. Our programme of specialist courses cover six main

- Strategic Management Menaging Finance Information Systems Operations and P ■ Operations and Project Marketing and Logistics
- m Managing People
  For information on any of these courses, ask Fiona Sparkes for our 1991 short course brochure at Cranfield School of Management, Cranfield, Bedford MK43 OAL. Tel: 0234 751122

Cranfield School of Management



nittery.

- - - · ·

प्रदेशका व

vytet is die

· ....

EXCHANGS NLDINGS SUBS

W ...

 $\sqrt{\frac{1}{2}} \cdot \frac{1}{4\pi}$ 

\*\*\*

Granfield

#### Fordham University, New York City International MBA Degree Program in Europe

There is a need to professionalise the business education and development of managers. As this fact is increasingly recognised, and in advance of 1992 in Europe, the Fordham International MBA Program is timely, challenging and relevant.

- This Program offers MA prestigious, internationally recognised MRA Degree
- E Comparatively short period away from work
- Intensive professional development

  An opportunity to study in Europe and USA
- A prowork of interpetional business contacts
- Instruction by the Faculty of Positions's Graduate School of Business Administration

For organisations, this Program is an opportunity to invest in top quality management development. For individuals, it represents a significant step towards career advancement. Forther information and application forms are available from:

The Program Cirector, Pendrum MSA Degree Program, Irish Menogement toptitate, Sandylord Flord, Dublic 16, Ireland. Tel. 205-1-656916, Telan 20025 MR III. Plat 203-1-656947; The Foodham Restructional MRA is associated by the American Associaty of Collegists Schools of Stationers

#### Want to brush up on a foreign language? With Audio-Forum's Intermediate and advanced materials, it's easy to maintain and sharpen your

materials, it's easy to maintain and enumers your torsign language stalls.

Besides intermediate and advanced audio-cascatie courses — most developed for the U.S. Spio Dept. — we offer foreign language mostery dramas, dislogues recorded in Farts, games, passis, and many other holpful materials. And if you want to learn a rewriting and many other holpful materials. And if you want to learn a rewriting-tope, we have beginning courses for adults and for children.

We offer introductory and advanced everything in most of the world's languages: Prenci, Garman, Spenish, tellan, Japanese, Greek.

Oliffrinh, hoperisch, testen, separates, sroe.

Russien, Pertuguese, Korean, Nonvegian, Swedish,
Turkleh, Thei, Urdu etz. etc.
Call 071-637 1647 PA SPACE FOREVITE
ST FIRE 23-0.
Cesslogue or write: Their LANGUAGE EQUIPICE
Conton V



#### INTENSIVE PRE-EXAM GMAT REVISION COURSE

Friday evening till Sunday evening 12-14 October in central London. For details contact South West London College, Marketing & Short Course Unit, Abbotswood Road, London SW16 IAN.

Tel: 081 677 5041 Fax: 081 664 7112

EFFECTIVE COMMUNICATION MEANS EFFECTIVE TRADING Do you know Spain has Bee

ngarge (kills, I control will color for your or negizement having the neigh committee of mighing in your own office. Our proportions gathed in the UK and Sym market place height to be hely you oversoon your communication difficulties in whether

ARRIBA IBERO

14: 01 50 407

Base 071 904 0771

8 Carril Way, Belvedon, Kone, DAIT SEE

THE COMPLETE SPOKESPERSON MASSIFTEACH WORKBOOK M A COMPANY-SPECIFIC WORKSHOP

\*one of the most comprehensive guides on handling media htterviews on the market"

- British Institute of Management's

Management News For details: call 0275 565505 or send business card to 29 Tivoli Road, Brighton Birt 58G

Database Spradshor/WF/DTP/ Notwork/Integrated Software.
Maximum 8 per copper, PC per delegate Tallowed & coppen yourse supplied Competitive prices and group disposite available.
Ring for brechuse or flather demilie. The Computing Education Centre KINGSTON PCI-YTECHNIC.
Tel: 081 549 7410Fax: 081 546 5776

LANGUAGE TRAINING

Immergion is the best way
Spend J. 2 or 3 weeks learning at
a language school in Germany.
France, Spain, Italy or Portugal
with trained, native speakers.
Intensive seminars or individual
mittion available.

Art for levilent text. Ask for business brochure Euro Academy (FTX) 77a George Street, Croydon CRO 1LD Tel: 081 686 2363 Fax: 081 681 8850 ABTA 6910X

LANGUAGE COURSES ABROAD IN FRANCE - GERMANY - SPAIN -ITALY

Selected permanent achoels in attractive locations. INTENSIVE COURSES allowed to specialist needs. All levels. Septiment accepted.

Brootune: Cambridge Advisory Service, Rectory Lane, Kippston, Cambridge CBB 774.

Tel; 9233 - 284080.

EXECUTIVE EDUCATION ali Business Courses

ring on the last Tuesday of every month, fortheonizing detect will be: 30th OCTOBER 1990 For full advertising details please telephone:

on 071-407-5763 Pax: 071-873-3079





# AT TRUST PLC

The Joint Administrative Receivers offer for sale the businesses of a number of the subsidiaries in this group. The businesses are operationally independent and comprise:-

#### ENGINEERING

#### The assets of Astra Engineering Division Ltd.

- 50,000 sq. ft. modern, purposebuilt leasehold factory close to the M6 in Birmingham
- ★ Turnover £3.5M

To Europe

- 1 14 14 21

1.5 ≥ ≤

يجهوانه جمعتما كا

#5 . Factor - 6 . . . .

HE CANES

(2,2,3,4,4,3)

- Substantial quantity of plant and machinery
- Blue-chip customer base
- Business areas include:
  - metal pressing & fabrication
  - air separation products electrical power distribution
  - polymer filtration

### CLOTHING

#### The assets of Splash Products Pic

- Market leader in the design, printing and distribution of T-shirts and sweatshirts
- ★ 51,000 sq. ft. modern, fullyequipped leasehold property in Swindon
- ★ Approximately 1,000 customers
- Substantial quantity of plain and printed shirts
- ★ Various royalty and licence agreements for well-known characters

## **GIFT SHOPS**

#### The business of Cerex Jewels Ltd. (not in receivership)

- ★ London's premier chain of 16 souvenir shops
- Prime central London and West End leasehold sites
- ★ Long leasehold warehouse in Swindon
- ★ Highly profitable operation with turnover of £5M p.a.

### RESTAURANT

#### The business of Astra Leisure Ltd. t/a Coconut Grave

★ Excellent West End location

- (not in receivership)
- Separate 150 cover restaurant and cocktail bar
- ★ New 25 year lease from December 1989
- Turnover of approximately £1,4M p.a.

#### ADVERTISING/ FINANCIAL MARKETING

#### The assets of Movie and Media Marketing Ltd.

- ★ Sports sponsorship and advertising business
- Leasehold premises in Old Bond Street
- Valuable advertising contracts

SERVICES Leasing - small ticket lease

- portfolio
  - approx. 700 contracts substantial monthly rental profit

Insurance - small property and life assurance brokerage

### PROPERTY INTERESTS

#### Including

- Leasehold property in Baker Street
- Prime freehold industrial units in Farringdon
- Freehold warehouse in Coventry
- Seven other investment properties in various locations including London, Glasgow, Birmingham and Northern Ireland

## MERCHANDISING

#### The assets of The Chef's Apprentice Ltd.

(not in receivership)

★ Valuable licence to exploit the television series concept "The Chef's Apprentice".

For Information regarding Astra Engineering Division Ltd. contact:

David Duggins Arthur Anderson & Co. One Victoria Square Victoria Square Birmingham B1 1BD

Telephone: 021-233 2101 Facsimile: 021-233 2954 For further information regarding other businesses contact:

**Tony Brierley** Arthur Andersen & Co. P.O. Box No. 55 1 Surrey Street

London WC2R 2N1

Telephone: 071-438 3773 Facsimile: 071-831 1133



### Touche Ross

#### P & D Leisure (Clwyd) Limited Trading as Clwyd Lodge Hotel

#### (In Administrative Receivership)

The Joint Administrative Receivers offer for sale the business and assets of P & D Leisure Limited, trading as Clwyd Lodge Hotel.

- [] Sinuated on main holiday route to North Wales.
- 21 bedrooms.
- ☐ Function Room.
- Bars and Restaurant
- 1 55 acres of land separately for sale including substantially developed 9 hole golf course.

For further information please contact the Joint Administrative

Receivers, G.J. Watts or D. G. Elliott, at the address below.

(PO Box 500), Abbey House, 74 Mosley Street, Manchester M60 2AT. Tel: Q61 228 3456. Fax 061 228 2021.

### Touche Ross

#### Medical Examination Bureau National Network

The husiness and assets of the above company are offered for

- □ 800 centres 85 with on-line computer link.
- ☐ Unique computer communication system.
- Massive market potential for insurance, corporate and personal medical risk assessment and healthcare.
- ☐ Woddwide application.
- ☐ Ready made point of entry for marketing of Practice Management Systems and other services.
- For further details please contact Lindsay Denney or Sue Lewis at

the address below.

Woodborough Road, Nouingham NG1 3PG.
 Tel: 0602 500511. Fax: 0602 590060.

VEHICLE CONTRACT HIRE

#### **Carflow Limited**

FLEET FOR SALE

- \* in excess of 200 contract hire agreements
- currently in force Nationwide customer base
- Monthly maintenance income
- \* Excess mileage income on completion of agreements For further information please contact. Mr J.B.R. Dare

KPMG Peat Marwick Corporate Recovery

Dukes Keep, Marsh Lane, Southampton SO1 1EX. Tel: 0703 631465. Fax: 0703 223547.

BUSINESS SERVICES

DOING BUSINESS IN BERLIN?

Connecting/Stokerage and Sales. Commercial objects in all areas, Properties/Construction fors and buildings, Building activities, Property investments in Porta-

Toreta Vermögensverwaltung GmbH & Co Grundbestz Kö (Tereta Fuancial Administra-tion Ltd. & Co. Real Property Limited Partnership) Konstan-zer Str. 10. 1000 Berlin 31 Telephone (010 49) 30 88 28 71 Telefax (010 49) 30 88 21 591.

INSOLVENCY AND FINANCIAL RESCUE

LEGAL ADVICE Specialist legal advice given on all aspects of corporate and personal

insolvency and rescue. SPRECHER GRIER (Solicitors) Tel: 071 831 9027

## **BUSINESS SERVICES**

## DO YOU HAVE A PROBLEM?

Does your company have potential and is in need of cash and/or advice either to solve current critical problems or long term growth?

We are a group of successful businessmen with financial, legal and medicing apportise, with substantial funds available to assist in such almostour. Ficuse write with buckground details to:

Ken Sanker, Line Court investments Ltd., 37 Balcombe St.,

Dorret Square, London NW1 GERS

Fax: 071 723 1062 Tel: 071 724 1839

A FIVE YEAR BUSINESS PLAN COMPLETED IN ONE DAY LISING LOTUS 123 SAVE 300 HOUSE OF PROGRAMMENTS FRUSTRATION with 48th Switness plan. Produce to comprehensive 34 page, 5 Year Financial Forecast in one day. Can be updated monthly in under an four. Susy to save computer programme supported by colour coded massed. Seek Business Plan I've over sent? remarks one copporate Banket.

Price RBS + Vet. Contact Adapting Systems, 10 Hayer York Greecent, Belgins BGS 4.52 Tel: NESS TES 462



#### Mayfair London, $\mathbf{W1}$

A truly cost effective alternative to lessing a full-time office. Our Business identity Plans are ideal for both the frequent and infrequent business visitor to London and are designed to suit your Company's need to maintain a high profile

For full details please contact: Nightingale Secretariat, 3 Berkeley Square, London, W1X 5HG

Tel: 071-629 6116 Fax: 071-491 4811

LEASING

Propert Names Association

re-5m ces of he sit-ed,

US AND INTERNATIONAL TAX SERVICES

Painphane: | MacLaon bergmentone on U.K. (+44) (0) 730 one723 or Fee: U.E. (+44) (0) 730 014330

HONG KUNG TAILORS SLATES - SLAZERS -STRATS made to measure. With to cata-logue to: Sectations, PO Box No. 80857, T.S.T. (Kowloon, HongKang, OC. (852) -308 8821 FBC (852) - 811 8788.

DUE TO THIS LIBERCRITICALATE ECON-clipates we are able to offer to systems recently recovered input clients in figuidation, from pa 2285.00 installed off space, 051-9

THE BUSINESS SECTION

ALSO APPEARS ON **PAGE 2 TODAY** 

#### HOLDINGS LIMITED AND **SUBSIDIARIES** Joint Administrators A J Katz, D C Lovett and J A Talbot offer for sale the assets of the business including: 64 leasehold shops which traded as licensed

**EXCHANGE TRAVEL** 

- locations throughout the UK. Travel and garage operation located in Gibraltar
- Portfolio of commercial investment properties in the Exeter and Hastings areas.

travel agencies until 20 September 1990

For further particulars of the leasehold shops and travel operation please fax the Joint Administrators' office on 0424 720440. For further particulars of

the commercial investment properties please fax Weatherall Green & Smith on 0532 457413.



# YORKSHIRE PINE

business and assets of a manufacturer of pine Major manufacturer of bedroom and kitchen

pine furniture with extensive customer base. Manufacturing site situated at Dalton, North Yorkshire close to the A1.

Annual turnover approaching £4 million.

- Freehold retail outlet near to Thirsk racecourse.
- Comprehensive product range. Approximately 100 employees.

For further information contact: Alan Katz or Kevin Mawer Arthur Andersen & Co. St Paul's House Park Square Leeds LS1 2PJ

Tel: 0532-438222

Fax: 0532-459240



## Moscow offers incentives to boost grain deliveries

By Quentin Peel in Moscow

THE SOVIET Government has announced new incentives to boost the state purchases of grain, including special access to cars and household goods, in an extraordinary measure underlining concern over the continuing shortfall of grain

Although no official figures have yet been given for the overall progress of the harvest, reports from many different parts of the country suggest that much of this year's bum-per crop has been left rotting in the fields.

In the past 10 days some In the past 10 days some areas have reported that still barely 30 per cent of their crops have been brought in.

At the same time there is growing concern about the lack of vegetables, including potatoes, being supplied to major conurbations such as Moscow, in the Urals and in Siberia.

Heavy rain in central Russia, Belorussia and the Ukraine in recent weeks has already dam-aged both grain and vegetables left in the fields, because of a combination of factors includcommination of factors intenti-ing labour shortages, lack of transport, fuel shortages, and the refusal of farms to collect their crops without higher pur-

chase prices.
However the problem of state grain purchases, which last year fell 27.3m tonnes short of the 86.5m-tonne target, has arisen again in spite of a virtual doubling in the purchase price for top grade

Now the Soviet Council of Ministers has approved an extraordinary scheme offering collective and state farms, as well as co-operatives, lease-holders and individuals, shortage goods in exchange for

Thus 1,000 tonnes of supplies Thus 1,000 tonnes of supplies above contract will earn various types of car, 500 tonnes would be enough for a house, and 40 tonnes a televisions set. The deal goes right down to the smallest production figures, with 25 tonnes earning a refrigerator, 0.5 tonnes a video cassette or 10 audio-cassettes. cassette, or 10 audio-cassettes, and 0.1 townes - a vacuum

The vegetable problem is also critical in the major cities, with Pravda, the Communist Perty newspaper, warning yes-terday that basic vegetables have disappeared from stores in Moscow and Urals industrial centres like Orenburg and Chelyahinsk.

One problem is that many vegetables have not been collected from the fields. Reports from Belorusala sug-gest that thousands of tonnes of potatoes are rotting there, and will prove virtually impos-sible to gather after the heavy

The other problem, according to Pravda, is that the southern and central Asian republics, traditional suppliers of fruit and vegetables, have

of fruit and vegetables, have switched to more grain production in order to ensure their own self-sufficiency.

"This will surely affect people living beyond the Urals, where as little as 45 to 60 per cent of vegetables are grown locally," the newspaper said.

"In some districts of the Russian Federation, Ukraine, and Uzhekistan, vecetables are rot-Uzbekistan, vegetables are rot-ting just because the local authorities forbid the export of them to other regions."

Elsewhere the problem is that the local leaders "did not that the local leaders "did not find incentives to recruit citizens" to help with the harvest. The newspaper also pinpointed yet again the critical state of Soviet storage facilities, suggesting that only one in five could be considered properly equipped.

## produced at Minero's Ilo refi-

THE STRIKE at Minero Peru, the state mining and refining company, has entered its sixth week amid indications that the union position was hardening. However, a vote late yesterday by workers at the Ilo copper by workers at the 120 copper-refinery on whether to con-tinue the stoppage was expec-ted to give the lead to workers at other Minero installations. The ten Minero unions suc-cessfully called a 24-hour "pro-

cessfully called a 24-hour "provincial stoppage" in the southern province of Ilo last Friday in protest at what they called "brutal police repression" and "continuing militarisation in mining camps." A striking miner had died from a bullet wound received when a demonstration in the striking miner had died from a bullet wound received when a demonstration in the striking miner had died from a bullet wound received when a demonstration in the strike was a demonstration of the strike when a demonstration in the strike was a demonstration of the strike when the strike was a demonstration of the strike was a strike wa police broke up a demonstra-tion earlier in the week.

More than 100 striking workers from the Cajamarquilla sinc refinery also occupied the company's Lima headquarters for several hours last week. for several hours last week.

Almost all the 3,500 workers at Minero Peru's four mining installations — the Ilo smelter, the Certo Verde mine and concentrator, the Cajamarquilla zinc refinery, and the gold-dredging operation of San Antonio de Poto — walked out om August 17 after the new board of directors refused to honour substantial wage rises awarded by the outgoing board two days before the change of government, the company's northern Bayovar phosphates

northern Bayovar phosphates plant has continued normal orking, however. Output of copper cathodes.

nery under a tolling agreement with Southern Peru Copper Corporation, fell in August to 7,617 tonnes from July's 12,446 tonnes. Cajamarquilla's refined zinc output was down to 1,747 tonnes from 3,457 in July. Normal output at Cajamarquilla is between 7,000 and 8,000 tonnes a month, but it has been at about 50 per cent of capacity for some time because of energy supply problems. The modern Cerro Verde mine and concentrator plant near Arequipa, however, has

managed to maintain reasonable levels of output with the use of employees and some casual labour. The strike is estimated to be

costing about \$350,000 a day.

## Gold supply 'to fall from 1993'

INDEPENDENT FORECASTS of gold output to 1995, excluding the Soviet Union and Chins, point to annual supply falling from 1993 onwards, according to a study by the Metals and Minerals Research

Metals and Minerals Research Services consultancy group for the World Gold Council, writes Kenneth Gooding.

Gold supply is forecast to rise from 1,650 tonnes last year to 1,778 tonnes in 1992 but then to fall to 1,744 tonnes in 1993,

to 1,731 tormes in 1984 and to 1,709 tormes in 1995. Over the period from 1989 to 1995, the average rate of growth in supply is therefore expected to fail to only 0.6 a year compared with the 7 per cent seen in the late 1980s, says the WGC, a promotional body supported by more than 90 masters mining companies. western mining companies.
According to MMRS, the industry anticipates that the production alowdown will be

bullish for the gold price.
"Demand and supply funda-mentals will be more in balance by the early 1990s and, given average investor demand levals, prices would be expec-ted to improve."

It points out, however, that "there will no doubt be ore bodies in production in 1995

that are currently not known about." So the forecasts for the years between 1998 and 1995 can be only "Indicative."

## Peru mine strike in sixth week | Brazilian blow to coffee pact hopes

BRAZIL. THE world's biggest coffee producer, yesterday dealt a fresh blow to any hopes that the International Coffee Organisation's export quota system could be revived in the

Mr Joso Rodrigues Cunha, head of the Brazilian delega-tion, told ICO delegates in London that his country was seeking an extension of one year to follow the expiry of the current coffee agreement in September

naxi year.
"During this time we can study the market situation and consult our producers and exporters (about the future of the agreement)," he said. The news depressed prices in both London and New York. On the London Futures and Ontions Exchange (Fox) the price for November robusts fell by £16 to £594 a tonne. London dealers will today be reacting to whether the New York

night.
The agreement's system of export quotas, designed to support market prices, collapsed in July last year. Since then the agreement has continued with no economic clauses.

This year's annual talks of

December arabica contract held above 94 cents a lb last

the absence of the heads of the US and Brazilian delegations left little of substance to discuss. Delegates decided not to meet at all last Friday.

The arrival of the US and Brazilian delegates yesterday morning had been keenly awaited, but neither side has changed the stance which led to the collapse of the export quota system. Brazil, which has consistently rejected calls for it to accept a cut it its 30 per cent share of the ICO quota total, appears to have recogtotal, appears to have recog-nised that no further progress.

can be made. "Brazil does not consider "Brazil does not consider that the time is ripe to undertake a negotiation which would only reveal again well-known disagreements which a little over a year ago led to the collapse of the system," Mr Cunha told the ICO Council.

Informal consultations with other producers and consum-ers had given no sign that positions regarding the manner of co-operation on coffee had become closer, he said.

Mr Celso Amorim, head of the Brazilian foreign ministry's economic department, said the chances of an extension were good "because our proposal is

## EC ministers in no mood for big farm trade concessions

By Tim Dickson in Brussels

EUROPEAN COMMUNITY farm ministers yesterday gave a strong signal that they were in no mood for substantial concessions in the international trade talks known as the Uruguay Round.

Several voiced concern about the "crisis of confidence" in the Common Agricultural Pol-icy – the result of falling prices and mounting surpluses in most major product regimes — and all appeared to back the resolute stance in the negotia-tions taken by the EC Agricul-ture Commissioner Mr Ray-

mond MacSharry.
Interest in yesterday's EC Farm Council was heightened after the European Commis-sion last Wednesday unexpect-edly failed to adopt a proposal inspired by Mr MacSharry to cut farm supports by 30 per cent over the 10 years 1986-96.

Strong reservations were voiced by Mr Frans Andriessen. and Mr Martin Bangemann, respectively the external relations and internal market commissioners, who want to tighten up part of the package as it now stands as well as making a clear commitment to reduce the EC's controversial export subsidies. It emerged last night that the Commission

THE UK Agricultural Supply Trade Association expects the country's cereals crop for 1990-91 to reach 22.9m tonnes compared with last year's 22.7m tonnes and the 1984-84 record of 26.2m tomes. The association fore-casts the wheat crop at 14.5m tomes, up from 14m

would not now reconsider the EC's Uruguay position until next week, when Mr Mac-Sharry is expected to retable his original ideas.

Anything other than strong support yesterday for Mr Mac-Sharry's position — and for his authority as the EC negotiator on agriculture — would have been a setback But there was palpable satisfaction in the Irishman's camp last night that he certainly got it. that he certainly got it.

In a discussion ostensibly on Anglo/French lamb difficulties minister after minister from other member states intervened to bemoan the state of the markets and in some cases call for additional relief. In par-ticular the French said the limit on quantities taken into intervention stores in the beef regime abould be raised.

In the formal dicussion on the Uruguay Round talks Mr John Gunmer, the UK's farm minister, was supportive of the MacSharry approach and pointed out that it would be "tough" to explain a 30 per cent cut to EC farmers. He added that Mr MacSharry would probably be pleased that certain member states seemed

willing even to go that far.

Mr Henri Nallet, the French farm minister, called yester-day's proceedings "hizarre" in view of the fact that there was no formal proposal yet from the Commission. He stressed the importance of farm ministers having a chance to debate the issues before the October 15 deadline when submissions from all parties to the trade talks have to be tabled. Mr Ignaz Klechle, the Ger-man farm minister, was said to

be the most unhappy about the mooted 30 per caut figure. • Mr Nallet, told Mr Gummer yesterday that the Paris government would offer to co pensate producers affected by the attacks on British lambs. He also said that the police presence would be strengthened at Calzis, the port where much of the British meat

## Ghana's high-flying pineapple exports

Air freight ensures premium returns for modest sales volumes writes William Keeling

and along many of the roads entering the city are stalls piled high with pineapplea. Chattering market-women hold up fruit large as dumb-bells and almost as heavy.

At about 14 pence a kilogram these pineapples are cheap, and getting cheaper every year. The local market is saturated with the fruit as a result, paradoxically, of Ghana's growing trade in fresh pineapple exports. This year Ghana is expected

to export over 10,000 tunnes of pineapples, a modest trade rel-ative to the world market but an increase of over 100 per cent More importantly, Ghanaian pineapples are regarded as among the finest in the world. Arranged on the shelves of supermarkets such as Marks and Spencer and Sainsbury,

they attract a premium price for their freshness and high-

quality.

Ghana's success in the field may have come somewhat by default. Battling giant plantations of neighbourng ivory Coast, Ghana's new breed of pineapple farmers have remained medium-scale. No farm currently exceeds 2.000 acres while their counter-

parts in the Ivory Coast are

LONDON MITTAL IDIO

Cash 1441-9 1 comm 1455-6

and (E per to

Tiln (5 per tonne)

m, 98.7% pasty (\$ per los

2225-8 2095-8

The relatively low produc-tion has ruled out the use of low-cost sea freight. Instea all of the pineapples exported by Ghana are flown to the country of destination and can be offered to the consumer within 48 hours of being har-vested. The benefits Ghans loses from low quantity it gains through ensuring high

The pineapple farmers are bullish about the future. Mr D.O. Salo, the owner of combined farms, is planning to expand his current 1,500 acres to 5,000 by 1985. This year he hopes to export over 4,500 tonnes, double his 1989 produc-

in the past 12 months he has built a warehouse at Accra's international surport and has invested in an air-freight company, Cargo Dor, which oper-pany, Cargo Dor, which oper-ates a Boeing 707 to transport the pineapples from Ghana to Europe. As Mr Safo com-mented, "Now we have control over an efficient freight facility

Storage and freight have been important limitations on the industry. In the pest farmers have waited at their farms for news that the plane had arrived before transporting

But there are additional restrictions which will be even harder to overcome if Ghana is to challenge the major pineap-ple producers. However effi-cient an export-orientated farm, at least one quarter of the fruit produced will fail to meet export-quality standards on size, sugar-content and acid-

ity.
The farmer's problem is that the domestic food processing industry is in a shambles. There are just two canning factories, both of which are in dire need of rehabilitation and cannot take up the supply. Meanwhile the local food num-kets suffer a superabundance of the fruit.

The answer would be to encourage new invest-ment in canning and juice extraction facilities. But while some potential investors have expressed an interest none have so far made any commitments. In part they may have been deterred by Rawlings, the head of state, when he criticised foreign investors for being arrogant and corrupt at an investment conference in February. Even those willing to disre-gard the political climate

Prious supplied by Amaigamaied Metal Trading)

10000-60

0020-30

AM Official Kerty close Open Interest

Total daily armover 14,141 lols

folial delily furnitives 20,706 tols

Total daily turnover 3,067 lots

lotal daily turnover 2,907 lote

71,085 lote

110,102 loss

10,936 late

9,082 lots

7,046 lota

would still question whether Ghans can provide the econo-mies of scale to justify invest-ment. While the supply of pine-apples is too great for the domestic market to absort, it is still too small to warrant the construction of a factory for the processing of export-bound.

in the same way, although exporters have to import large quantities of packaging for the fruit, no investor has been willing to build a suitable packaging plant in Ghama. Also hinderly a leave and exponents dering a large scale expansion of the industry is the parlous state of the banking sector. With stifling credit ceilings and huge bad debts, commer-cial banks have been unwilling to lend to agricultural ven-

While waiting for the banks to be restructured, however, several interim support pack-ages for the agricultural sector have been developed. The state-owned Agricultural Development Bank has put together a USE20m rural credit scale agricultural growers, including pineapole farmers.

In addition, an export finance company owned by eight insurance companies and the Ghana export promotion council is soon to be created.

Designed to finance directly projects such as those within the pineappie sector and to offer guarantees to exporters and to commercial bankers, it is a step in the right direction. Its initial capital of \$6.6m, however, is clearly inadequate to the trail.

There are also plans to com-bine small-scale farmers into village co-operatives. But without the expertise or the back-up of the larger farms, the percentage of exportable fruit produced would certainly be below 50 per cent. And with no processing factory to take the surplus such co-operatives would struggle to break even would struggle to break even.

The future of the pinesppis
industry in Ghana depends
upon serious investors enter-

ing the market who are able to turn a profit simply through the export of fresh fruit. Whether this will occur must hè in doubt. The efficient Mr. Safo achieves a 10 per cent return on his capital but newcomers would struggle for profitzbil-

ity. And tho pineapples are the best, they are also a luxury. The deciding factor is the premium consumers are willing to pay to have their fruit air-freighted to the dining-room table.

Minic

1

### MARKET REPORT

Gold rose sharply on the London bullion market as buying was prompted by rising oil prices and talling world stock markets. In New York December gold futures were well above \$400 an ounce at midsession. One analyst said the advance through \$400 had establish new long positions. A softer dollar and falling US stock prices helped, but "oil is calling the tune for all the markets." On the LME zinc lell to seven-month lows before trade buying and short covering halted the decline. Traders said the fall was a downturn on bearish charts and

#### Landon Markata

London Mar	kets	
SPOT MARKETS		
Crude oil (per barrel FOB)		+ or -
Dubsi	\$33,70-3.69y	+ 3.05
Brent Bland (dated)	\$40,80-0.70	+3,66
Brent Blend (November)	\$96,20-6,35	+3.65
W,T,1. (1 pm est)	\$38.60-8.82y	+3.635
Oil products		
NWE prompt delivery per to	ome CIF)	+ or -
Premium Gasolina	5445-450	+ 23 12
Gas Off	\$353-354	+36
Heavy Funt Oil	\$140-142	+6
Nephila	\$878-381	+ 28 %
Petroleum Argue Estimetes	<u> </u>	
Ottver		+ 01 -
Gold (per troy az)	\$396.00 488c	+8.75 +7.60
Silver (per troy az) (p Platinum (per troy az)	3461.25	+1,4
Palladium (per troy oz)	\$101.00	-0.25
Uuminium (free maries)	\$2135	-85
Copper (US Producer)	130 <sup>3</sup> 1 C 50c	-14
lickel (free market)	463c	-
in (Kuala Lumpur <b>municit)</b> In (New Y <i>o</i> rk)	15.50r 274.00	+0.12
THE (USE PRIME (MARKET))	81.25c	
attle (live weight)†	101.42p	-0.36*
heep (deed weight)	130.27p	+3.10
igs (live weight)†	81.07p	-1.87
ondon dally sugar (raw) ondon dally sugar (white)	\$250,5q \$306,5q	-5.60
ate and Lyle export price	£260.5	-4.00
Barley (English feed)	£116	
Visest (US Derk Northern)	£150w £84.2q	+1
lubber (Nov)♥	52.75p	
hubber (Dec) 🖤	53.00o	J. 0 SC
LIDBER (KL PSS No 1 Cel)		+0.50
oconut oli (Philipphae)§	\$275.0v \$282.5w	-8.00 -2.50
opra (Philippines)\$	\$196.0y	-2.50
oyabeans (US) otton "A" Index	61.70c	-0.50 -0.50
otton "A" Index lockopa (64s Super)	81.70¢ 438¢	-4.00
E SHANN PRISON OF SHANNING		ocealics
cents/lb. r-ringgit/kg. q-9		
led y-Oct/New. W-Oct z-Au		
ommission average fatsta		
om a week acc. Thord	on physical	merket.
CIF Rotterdøm, 🛖 Bullion	market close	m-Ma-
union conteller.		

ample physical supplies. Aluminium was also in retreat. but treders said the bull trend was Intact despite the shake-out. Before the close the lower levels were already attracting renewed buying interest. Far East demand was expected to return today after yesterday's Japanese holiday, traders said. Copper prices also tell - bearish sentiment reflected expectations of a further sizeable LME warehouse stocks, traders said. On the BFE freight futures rose strongly - but traders said any rally was likely to be short-lived.

Oct 250.00 246.00 254.00 247.50  Mary 237.40 233.00 244.40 232.00  Mary 244.00 238.00 244.40 232.40  Langer Previous High/Low  Mary 238.00 238.00 238.00  Mary 240.00 238.00 238.00  Mary 238.00 238.00 238.00  Mary 238.00 238.00 238.00  Mary 238.0 304.5 311.5 302.9  Mary 308.0 305.5 302.9 303.6  Turnover: Risw 2571 (2501) loss of 50 torunes.  Writte 1383 (381)  Parte-Whilte (FFr per torune): Duc 1824 Mary 1836,  Mary 1840, Aug 1890, Oct 1885  CELLING CL. — Previous High/Low  Nov 37.96 34.40 34.73 38.90  Jan 34.93 31.00 34.93 32.90  Fab 28.80 30.00 32.90 32.90  Fab 28.80 30.00 32.90 32.90  Fab 28.80 30.00 32.90 32.90  Mary 33.50 30.50 344.00 377.00  Nov 33.50 30.50 30.50 302.00  Mary 33.50 280.00 30.50 302.00  Mary 33.50 280.00 30.50 302.00  Mary 230.00 280.00 300.50 302.00  Mary 230.00 280.00 280.50 302.00  Mary 230.50 254.00 260.50 278.00  Turnover: 15536 (12844) tota of 100 torunes.  Mary 230.00 280.076 278.00 278.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00 260.076 278.00 278.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00 260.076 278.00 278.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00 260.076 278.00 278.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00 260.076 278.00 278.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00 240.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00 240.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00  Turnover 15536 (12844) tota of 100 torunes.  Mary 240.00  Mary 240.00	Oct 260.00 249.00 25 Mer 287.40 239.00 24 Mery 244.00 239.00 25 Oct 289.00 239.00 23 White Case Previous Higher 308.0 306.5 31 Mery 308.0 306.5 31 Mery 308.0 306.5 30 Mery 308.0 309.5 30 Mery 308.0 309.0 30 Mery 308.0 309.0 30 Mery 308.0 309.5 30 Mery 308.0	.00 247.80 .40 232.00 .00 233.40 .00 238.00 .00 MLGW .5 302.0 .6 302.5 .6 303.0 et 50 torunes.
Mary 247.40 253.00 244.40 232.40   Mary 244.00 238.00 244.00 233.40   Mary 244.00 238.00 238.00 238.00   Mary 248.00 238.00 238.00 238.00   Mary 264.00 238.00 238.00 238.00   Mary 264.00 258.00 238.00 238.00   Mary 264.00 305.5 311.5 302.9   Mary 303.0 305.5 302.9 303.0   Mary 303.0 305.5 302.9 303.0   Mary 1840, Aug 1890, Oct 1825   Mary 1840, Oct 1845   Ma	Mery 287.40 235.00 244 Mery 244.00 235.00 244 Mery 244.00 235.00 244 Mery 244.00 235.00 244 Mery 244.00 235.00 235 Oct 238.00 230.00 23 White Case Previous His 305.0 305.0 315 Mery 303.0 305.0 315 Mery 303.0 305.5 307 Turnover: Raw 2871 (2901) loss White (1838 (381)) Paris-White (FFr per terms): Des Mery 1840, Aug 1890, Oct 1885  CELLENT CR. — PRE  Label Previous 1850 Mery 33.50 30.00 1850 GAS CRS. — NPE  Label Previous 1850 GAS CRS. — NPE  Label Pre	40 232.00 .00 233.40 .00 238.09 .00 MLGW 5. 302.0 6. 302.5 .0 303.0 of 50 torunes.
May 244.00 238.00 244.00 238.00 238.00 238.00 240.00 238.0	May 244.00 238.00 24  May 238.00 240.00 230  Oct 238.00 230.00 23  White Case Previous His 230.00 230  Mar 308.0 305.5 30  Turnover: Raw 2871 (2801) Iots White 1363 (381)  Parts- White (PFr per torne): Des May 1640, Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous Aug 1690, Oct 1685  Castlet Oct - Per Labor Previous His Oct 1690, Oc	.00 233.40 .00 236.09 .00 MLgw .5 302.0 .0 302.5 .0 303.5 of 50 toruses.
288.00 240.00 238.00 238.00 238.00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	228.00 240.00 23   Oct 238.00 238.00 23   White Come   Previous   He	.00 236.00 .00 M/Low .5 302.0 .0 302.5 .0 303.0 of 50 tonnes.
Oct 238.00 238.00 238.00  White Come Previous High/Low  Dec 38.0 304.5 311.5 312.0 302.5  Mar 303.0 305.5 302.0 303.0  Trimover: Raw 2871 (2801) lots of 50 tonnes.  White 5383 (381)  Paris- White (FFr per tonne): Dec 1624 Mar 1636, May 1840, Aug 1600, Oct 1605  CELLING CE - ST. St. 10 35.40  Latest Previous High/Low  Nov 37.95 34.40 18.30 18.40  Latest Previous High/Low  Cot 343.25 30.50 31.00 32.80 32.30  ITurnover: 15520 (11949)  GAS GE - HPI St. 10 34.00 317.00  Apr 335.50 300.50 344.00 317.00  Apr 335.50 285.00 285.00 310.00  Apr 200.50 255.00 265.00 300.50 310.00  Apr 200.50 256.00 300.50 302.00  Mar 253.50 256.00 286.00 276.00  Turnover 15536 (12844) lots of 100 tonnes  VEA A strong demand prevalled for most descriptions, reports the Tee Brolears' Association, Bright Reporting Assams area and cood competitions and sold well above	Oct 238.00 238.00 23 white Come Previous His Dec 303.0 304.5 31 Mar 203.0 305.0 31 Mar 203.0 305.0 31 Mar 203.0 305.5 30 Trimover: Raw 2871 (2801) lots White (383 (381) Paris- White (PF) per torme): Dec May 1840, Aug 1890, Oct 1895  Langur Previous Nov 37.95 34.40 Dec 36.15 32.75 Jun 34.90 31.00 Dec 36.15 32.75 Jun 34.90 31.00 Dec 36.15 32.75 Turmover: 18520 (11949)  GLAS OIL - 1872 Latest Previous His Dec 300.00 280.00 30 Nov 335.50 300.56 35 Jun 320.00 280.00 30 Mar 235.50 256.00 36 Apr 290.50 256.00 36 Apr 290.50 256.00 36 Apr 290.50 256.00 36 Apr 290.50 256.00 267 Turnover 15335 (12844) lots of 16  TEAN of demand prevalled for descriptions, reports the Teal 8	MLow 5. 302.0 6. 302.5 6. 303.0 of 50 torunes.
Provious High/Low  Dec 308.0 304.5 311.5 302.5  Mar 308.0 305.0 312.0 302.5  Turnover: Raw 2871 (2801) lots of 50 tonnes.  Within 1383 (381)  Parts- White (PFr per tonne); Dec 1824 Mar 1836,  May 1840, Aug 1890, Oct 1885  CELLING CL. — PT	### 208.0 304.6 311  Dec 308.0 304.6 311  Mar 308.0 305.0 312  ## 308.0 305.5 301  ## 308.0 305.5 301  ## 308.0 305.5 301  ## 308.0 305.5 301  ### 308.0 305.5 301  ### 308.0 305.5 301  ### 1888 (381)  Partie- White (PFr per torne): Dec May 1840, Aug 1890, Oct 1885  ### Labest Previous  Nov 37.96 34.40  Dec 30.15 32.75  Jun 34.80 31.00  ### 34.41 33.13  #### 158.20 110-48)  #### Labest Previous His Cott 343.25 305.60 301.60  #### 308.0 300.60 305.00  Dec 308.0 280.00 301.60  #### 308.0 280.00 305.60  Dec 308.00 280.00 305.60  ##### 308.00 280.00 305.60  #### 308.00 280.00 305.60  ##### 308.00 280.00 305.60  ###################################	N/Low .5 302.0 .0 302.5 .0 303.0 of 50 tonnes. 1624 Mar 1636,
Dec 303.0 304.5 311.5 312.0 Mar 303.0 305.0 312.0 302.5 303.0 305.0 312.0 302.5 303.0 303.	Dec 303.0 304.5 311 Mar 303.0 305.0 313 Mar 303.0 305.5 305 Trimover: Raw 2871 (2801) lots Write 1383 (281) Parts-White (FF; per torme): Dec May 1840, Aug 1890, Oct 1805  Latest Previous Nov 37.95 34.40 Dec 30.15 32.75 Jun 34.80 31.00 Feb 32.80 30.00 IPE Index 34.41 33.13 Turrover: 15520 (11949)  CAS CG. — IPB  Latest Previous High Cott 343.25 305.60 344 Dec 30.00 281.00	.5 302.0 .0 302.5 .0 303.0 of 50 torunes.
Dec 308.0 304.5 311.5 302.0 Mar 303.0 305.0 112.0 302.5 Mar 303.0 305.0 12.0 303.0 303.0 Turnover: Raw 2871 (2801) Loss of 50 torunes. Within 1988 (381) Parts - White 1988 (381) Parts - White (FF) per torune): Dec 1824 Mar 1886, May 1840, Aug 1800, Oct 1985  CELLINE CR Per Sylvicus High/Low Nov 37.95 34.40 May 184-Low Nov 37.95 34.40 May 183-10 May 184-10 Ma	Mar 303.0 305.0 313  Trimover: Raw 2871 (2801) loss Write 1363 (281) Parte-White (FFr per torme): Des May 1840, Aug 1890, Oct 1805  Latest Previous Nov 37.96 34.40 Dec 30.15 32.76 Jun 34.80 31.00 Feb 32.80 30.00 P2 Index 34.41 33.13  Turnover: 15520 (11949)  GAS CG. — IPS  Latest Previous High Cott 343.25 305.60 344 Dec 330.00 280.00 350 Apr 272.00 260.76 276 Turnover 15536 (12844) lota of 161  TEAA	.0 302.5 .0 303.0 of 50 tournes. . 1624 Mar 1636,
SOS.0   SOS.5   SOS.0   SOS.0   SOS.0	303.0 205.5 30  Trimover: Raw 2871 (2801) lots White 1383 (381) Paris- White (FF) per terme): De May 1840, Aug 1890, Oct 1885  Latyer Previous Nov 37.95 34.40 Dec 36.15 32.75 Jun 34.90 31.00 Dec 36.15 32.75 Jun 34.90 31.00 DP2 Index 34.41 33.13  Turmover: 18520 (11949)  0.48 Ctt Librar Previous High Control 18520 30.50 Dec 30.00 280.00 30 Mov 335.50 305.50 364 Mov 395.50 286.00 287.00 Dec 300.00 280.00 30 Mer 283.50 285.00 286 Apr 290.50 264.00 287 Turmover 15335 (12844) lots of 181  TEAA	.0 305.0 of \$0 torunes. 1624 Nan-1006,
Turnover: Rsw 2871 (2801) lots of 50 termes. Within 1383 (381) Perfe- Vinite (PFr per terms): Dec 1824 New 1836, May 1840, Aug 1890, Oct 1885  CELLING OIL - PF	Turnover: Raw 2871 (2801) loss Wilde 1383 (381) Parte Wille (PFr per torme): Des May 1840, Aug 1890, Oct 1985  Latest Previous Nov 37.95 34.40 Dec 36.15 32.75 Jun 34.80 31.00 Feb 22.80 31.00 P2 Index 34.41 33.13  Turnover: 15520 (11949)  GAS GS. — MPS  Latest Previous High Coct 343.25 305.60 344 Nov 338.50 300.81 336 Nov 338.50 300.81 336 Dec 350.00 280.00 331 Jun 320.00 291.00 280.00 308 Mar 283.50 285.00 285 Apr 280.50 250.00 260 Turnover 15535 (12844)tets of 1874  TEAA	of 50 tonned. 1824 Mar 1886,
Perfev White (FFr por torne): Dec 1824 Mar 1836, Perfev White (FFr por torne): Dec 1824 Mar 1836, May 1840, Aug 1890, Oct 1885  Lingst Previous High/Low Nov 37.95 34.40 1.33 34.60 32.80 1.34 32.80 1.34 33.80 1.34 34.80 32.80 1.34 33.15 34.60 32.80 1.34 33.15 34.61 32.20 1.34 1.34 1.34 1.34 1.34 1.34 1.34 1.34	Vertex 1393 (381) Partie-White (FF) per torme): Des May 1840, Aug 1890, Oct 1805  Latest Previous Nov 37.95 34.40 Dec 36, 15 22.75 Jun 34.80 31.00 IPZ Index 34.41 33.13  Turnover: 15526 (1949)  Latest Previous High Coct 343.25 305.50 3440 Nov 336.50 305.60 3440 Nov 336.50 305.60 3440 Nov 336.50 305.60 367 Nov 336.50 305.60 367 Nov 336.50 368.00 368 Nov 336.50 3	1624 Nan- 1606,
Within 1983 (381) Partie- White (FFF per torme): Dec 1824 Mar 1836, May 1840, Aug 1890, Oct 1885  CELLET OL - PE	Within 1983 (381)  Partie- White (FF) per torme): De May 1840, Aug 1890, Oct 1805  Latest Previous  Nov 37.95 34.40  Dec 36, 15 32.75  Jan 34.80 31.00  Pel 34.15 32.75  Jan 34.80 31.00  IPE Index 34.41 33.13  Turnover: 18520 (1949)  Cott 343.25 305.60 344  Nov 335.50 300.86 356  Nov 335.50 300.86 356  Nov 335.50 300.87 356  Dec 350.00 280.00 300  Mar 283.50 285.00 386  Apr 290.50 264.00 367  Turnover 15335 (12844)tets of 187  TEAA  A strong demand prevalled for descriptione, reports the Tea E	1624 Nan- 1606,
Labor	Langur Previous  Langur Previous  Nov 37.95 34.40 Dec 36.15 32.75 Junt 34.90 31.00 PP2 Index 34.41 33.13  Turnover: 15520 (11949)  QAS CR, — IPP  Latest Previous His Oct 343.25 305.50 344 Nov 335.50 300.56 355 Dec 350.00 280.00 33 Junt 320.00 320.00 33 Junt 320.00	
Labor   Previous   High/Low	Latest Previous  Nov 37.95 34.40 Dec 36.15 32.76 Jun 34.80 31.00 P2 Index 34.41 33.13  Turnover: 15520 (11949)  CAS CIS. — IPM  Latest Previous Higher 38.00 30.00 Dec 33.50 300.50 36 Dec 33.50 281.00 30.56 Dec 33.50 281.00 30.56 Jan 320.00 281.00 30.56 Dec 33.50 281.00 361 Jan 320.00 281.00 30.56 Apr 272.00 260.76 276 Turnover 15536 (12844)Jula of 16	
Latest Previous High/Low   New 37.95 34.40   1.30 3.40   1.40 32.80   1.40 32.80   1.40 32.80   1.40 32.80   1.40 32.80   1.40 32.80   34.60 32.80   36.60	Latyer   Previous	
Linear   Previous   High/Low	Nov 37.95 34.40 Dec 36.15 32.75 Jun 34.80 31.00 Feb 22.80 30.00 IPP2 Index 34.41 33.13  Turnover: 15520 (11949)  GAS CR IPB  Latest Provious Higher 38.00 28.00 36.50 Dec 330.00 280.00 36.50 Dec 330.00 280.00 36.60 Dec 3	
Nov 37.95 34.40 31.15 33.40 34.10 34.80 32.80 34.81 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.80 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34.81 32.80 34	Nov 37.95 34.40 Dec 36.15 32.75 Jun 34.80 31.00 Feb 22.80 30.00 IPP2 Index 34.41 33.13  Turnover: 15520 (11949)  GAS CR IPB  Latest Provious Higher 38.00 28.00 36.50 Dec 330.00 280.00 36.50 Dec 330.00 280.00 36.60 Dec 3	High/Low
Dec   38,15   32,75   38,19 33,80	Dec 36.15 32.75 Jun 34.80 31.00 P2 Index 34.41 33.13  Turnover: 15520 (11949)  6.43 Cts. — IPB  Latest Previous High Coct 343.25 305.60 344 Nov 336.50 300.50 365 Dec 330.00 281.00 325 Jun 320.00 291.00 325 Feb 368.00 285.00 285 Apr 272.00 260.75 275 Furnover 15335 (12844)July at 16  TEA A strong demand prevailed for descriptions, reports the Tea	
Sum	Jun 34.80 31.00 Feb 22.80 30.00 PZ Index 34.41 30.13 Furnover: 15520 (11949)  Latest Previous Higher 34.50 30.50 3	
Feb 2280 30.00 \$2.80 32.30 FP2 Index 34.41 33.15 34.41 32.20	Feb 2280 30.00 PP2 Index 34.41 33.13  Turnover: 15520 (11949)  8.83 CR IPP  Latest Provious Higher 330.50 300.5	
PPE Indext 34.41 33.15 34.41 32.20 -  Turnover: 15520 (11949)  8.69 Ctt. — IPM Shorte  Latest Previous High/Low 1  Oct 343.25 306.60 344.00 317.00 1  Nov 335.50 300.60 336.75 312.00 1  Dec 330.00 291.00 200.25 305.00 1  Feb 363.00 292.00 362.50 305.00 1  Feb 363.00 292.00 362.50 302.00 364.00 378.00 1  Apr 263.50 265.00 288.50 290.00 36.50 302.00 1  Apr 272.00 250.75 273.00 273.00 1  Turnover 15336 (12844) tota of 100 townes 1  TEA A strong domand prevalled for most descriptions, reports the Tee Brokers' Association, Bright flouring Assams met apod condecomposition and sold well above	Turnover: 15520 (11949)  BAS CEL - NPB  Littlest Provious His Oct 343.25 305.50 344. Nor 335.50 300.51 336 Doc 330.00 288.00 336 Jan 320.00 288.00 336 Jan 320.00 280.00 306 Mar 283.50 285.00 286 Apr 280.50 254.00 266 TELA A strong demand prevalled for descriptions, reports the Tee E	
Turnover: 15520 (11949)  BAS OIL - IPE	Littest Provious Higher State	34.41 32.20 ·
Latest   Previous   High/Low	Latest Previous Higher Court 343.25 306.60 244 Nov 336.50 300.56 36 Dec 330.00 286.00 36 Jan 320.00 291.00 222 Feb 308.00 291.00 300 Mar 253.00 280.00 300 Mar 253.00 280.00 260 Z72.00 290.76 Z78 Turnover 15336 (12844) tota of 16	
Latest Previous High/Low  Oct 343.25 305.60 344.00 317.00  Nov 335.50 300.60 336.75 312.00  Dec \$30.00 280.00 330.50 310.00  Jan 320.00 291.00 320.25 305.00  Feb 308.00 280.00 300.50 302.00  Mer 283.50 280.00 280.50 280.00  Apr 280.50 254.00 280.50 278.00  Furnaver 15338 (12844) lets of 185 tonree  TEA  A strong domand prevailed for most descriptions, reports the Tea Brokers'  Association, Bright liquoring Assams arest agood conposition and sold very above	Latest Previous Higher Court 343.25 306.60 244 Nov 336.50 300.56 36 Dec 330.00 286.00 36 Jan 320.00 291.00 222 Feb 308.00 291.00 300 Mar 253.00 280.00 300 Mar 253.00 280.00 260 Z72.00 290.76 Z78 Turnover 15336 (12844) tota of 16	
Oct 343.25 306.60 344.00 317.00 Nov 335.50 300.60 336.75 312.00 Dec 330.00 280.00 30.55 310.00 Jan 320.00 281.00 220.25 305.00 Feb 308.00 280.00 308.05 310.00 Mer 283.50 285.00 288.50 320.00 Apr 280.50 254.00 280.50 278.00 Furtherer 19338 (12849) det of 185 termine  TEA A strong demand prevalled for most descriptions, reports the Tee Brokers' Association, Bright liquoring Assams area	Oct 343.25 305.60 344 Nov 335.50 300.50 355 Dec 330.00 286.00 335 Jan 320.00 291.00 325 Feb 308.00 280.00 305 Mar 253.50 286.00 305 Mar 253.50 286.00 286 — 272.00 280.76 275 Purisiver 15335 (12844) John of 16	
Nor 335.50 300.56 336.75 312.00 Dec 330.00 280.00 300.50 310.00 Jen 350.00 280.00 300.50 310.00 Jen 350.00 280.00 300.50 310.00 Jen 350.00 280.00 300.50 302.00 Jen 350.50 250.00 280.00 280.00 280.00 280.00 280.00 Jen 278.00 250.00 250.50 278.00 Jen 278.00 250.50 278.00 Jen 2	Nor 335.50 300.61 360 000 000 000 000 000 000 000 000 000	
Dec 390.00 288.00 330.50 310.00  Jan 320.00 291.00 220.25 305.00  Mar 283.50 282.00 388.50 322.00  Mar 283.50 285.00 288.50 280.00  Apr 290.50 254.00 280.50 278.00  278.00 250.75 278.00 278.00  Turnover 15335 (12844)tets of 100 tomres  TEA  A strong demand prevalled for most descriptions, reports the Tea Brokers'  Association, Bright flouring Assams are:  Association, Bright flouring Assams are:  and sold well above	Dec 350.00 288.00 281.00 281.00 281.00 281.00 281.00 282.00 302.00 282.0	
Jan 320.00 291.00 220.25 305.00 Feb 508.00 280.00 305.00 Jeb 502.00 305.00 Jeb 502.00 305.00 Jeb 502.00 305.00 Jeb 502.00 305.00 298.50 290.00 Jeb 502.50 256.00 280.50 276.00 Jeb 502.50 Jeb 50	Jan 320.00 291.00 285.66 Feb 308.00 286.00 305 Mar 283.50 285.00 286 Apr 280.50 286.00 286 Partnever 15338 (12844) lefts of 16 TEA A strong demand prevalled for descriptions, reports the Tee 8	
Mer 283.50 285.00 288.50 290.00 Apr 280.50 256.00 260.60 278.00 260.75 2	Mar 293.50 265.00 285 Apr 290.50 264.00 287 Purhover 15335 (12844) lots of 16 TEA A strong demand prevalled for descriptions, reports the Tea 8	
Apr 280.50 254.00 280.50 278.0	Apr 280.50 254.00 285 278.00 250.76 275 Purnover 15535 (12844)tets et 10 TEA A strong demand prevalled for descriptions, reports the Tee B	.50 310.00 .25 305.00 -
278.00 250.76 278.00 278.00  Turnover 15535 (12844)tots of 100 tomres  TEA A strong demand prevalled for most descriptions, reports the Tea Brokers' Association. Bright figureing Assams arest good composition and sold well above	278.00 250.76 278 Purinover 15536 (12844)tets of 16 TEA A strong demand prevailed for descriptions, reports the Tee E	.50 310.00 .25 305.00 .50 302.00
TEA A strong demand prevailed for most descriptions, reports the Tea Brokers' Association. Bright liquoring Assems must good competition and sold well above	Purhover 15536 (12844)tota of 16 TEA A strong demand prevailed for descriptions, reports the Tee E	.50 310.00 .25 305.00 .50 302.00 .50 290.00
TEA A strong demand prevailed for most descriptions, reports the Tee Brokers' Association. Bright liquoring Assems must good competition and sold well above	TEA A strong demand prevalled for descriptions, reports the Tea B	.50 310.00 .25 305.00 .50 302.00 .50 290.00 .50 278.00
A strong demand prevailed for most descriptions, reports the Tee Brokers' Association. Bright Housting Assems seet good competition and sold well above	A strong demand prevalled for descriptions, reports the Tee B	.50 310.00 .25 305.00 .50 302.00 .50 290.00 .50 278.00
A strong demand prevailed for most descriptions, reports the Tea Brokers' Association, Bright liquoring Assams met good competition and sold well above	A strong demand prevalled for descriptions, reports the Tee B	.50 319.00 25 305.00 50 302.00 50 289.00 50 278.00 00 278.00
A strong demand prevailed for most descriptions, reports the Tea Brokers' Association, Bright liquoring Assams met good competition and sold well above	A strong demand prevalled for descriptions, reports the Tee B	.50 319.00 25 305.00 50 302.00 50 289.00 50 278.00 00 278.00
descriptions, reports the Tea Brokers' Association. Bright liquoring Assums must accord competition and sold well above	descriptions, reports the Tee E	.50 319.00 25 305.00 50 302.00 50 289.00 50 278.00 00 278.00
Appociation, Bright Houseing Assems met		50 310.00 50 302.00 50 302.00 50 200.00 50 278.00 50 278.00
Sood combention and sold ##8 spone	Association, Eingilt Inquoring A	50 310.00 50 312.00 50 312.00 50 312.00 50 278.00 0 278.00 1 toneres
	good competition and sold well	50 310.00 50 302.00 50 302.00 50 303.00 50 278.00 00 278.00 10 278.00
vehicition, while mediums were firm with plainest again difficult of sale. East Africana	VALUEDON, WITH MEGILING WORK	50 310.00 25 305.00 50 302.00 50 302.00 50 278.00 0 278.00 0 tonnes
sold readily, others irregular. Central	enid readily, others irretular (	50 310.00 50 302.00 50 302.00 50 278.00 00 278.00 10 278.00
Africana well supported and ruled firm to an	Africana well supported and ru	50 310.00 50 302.00 50 302.00 50 278.00 00 278.00 Troset rokers' sams snet sams snet showe firm with
	higher, Ceylons met useful der	50 310.00 50 302.00 50 302.00 50 302.00 50 278.00 50 278.00 50 278.00 50 278.00 50 278.00
higher, Caylons met useful demand at firm	to deerer rates. Offshore teas	50 310.00 50 302.00 50 302.00 50 302.00 50 278.00 50 278.00 50 278.00 10 278

ngulry with brighter lines fully firm, others regular. Quetations: Quality 220p nominal,

712 746 780 884 884 828 806 841 825 866 858 Turnover: 4075 (1989) tots of 10 tonnes (CCO Indicator prices (SDRs per tonne). Daily price for Sep 21 871.61 (990.55) 10 day average for Sep 24 878.91 (976.54) Close Previous High/Low 571 596 607 600 611 576 571

WORLD COMMODITIES PRICES

795 716 770 741 806 781

GOOGA - London POX

	urnover: 5844 (4038) lots of 5 townes SPOT: 1,8615 3 months: 1,8321										
Bep 21:	Hostor pr : Gomp. d 37 (76.59)	Maily 75.47 (	ents per p (75.13). 15 (	day awar-							
POTATI	068 - B	**		Clores	LOTTO CILL		N 184	micel.			
	Close	Previous	High/Low		Sold (See Ca)	S per	00		i equily	No.	
You	80.6	79.0	80.0 80.6		Close	-	-3061		21012-2	_	_
Apr .	132,1	132.4	125.0 125.		Opening	365 4	-909-1		100 4-E	18%	
likey _	148,0	148.0	MED 14	2	Morning fix	300.1	6		100,477	-	
umovi	r 127 (10	B) lots of 4	O longes.		Attemografic Day's high Day's low	396		-	<b>108.689</b>		
OYA	EAST ME	AL - MPE		Chores	Collen	5 an	~		-	-	_
	Close	Previous	High/Low		Mapletoni Britarnia	405-4			16 2-2 16 2-2		
Det	105.00	116.75	105.09		UE Engle	405-4		1	15-2-2	1812	
(Market	r 5 (15) l	ots of 20 to	innee.		Angel	495-4 395-8			115 4-2 110-212	1875	
-					Krugerrand Hear Sov.	310°0			83-90 84-516	ь	
					Old Sov.	93-95	i	. 4	19·2-50	چا	
		~ 17		der point	Hobie Plat	459.1	5-405/	5 2	<b>49.95</b> -6	47.05	
	Close	Previous	High/Low		Silver fix	pille	02	. 1	18 de	) dispe	
lep Oct	1204	1172 - 1782	1190 1190 1215 1155		Sport	257.2			62.80		
	1206	1163	1223 1160		S months 6 months	280.77 275.8			89.2n 82.70		
lpr Fi	1210	1160	1220 1150		12 months	23,1			29.05		
_	FI 1179 1186 1179 1179 TRANSP OFFICE									_	
		-,			Abanblus (0	_	-	-		Parks	-
					Strike price 5	_	Nov	Jan	Nov		-
MATE		_		2/lomes	1603		195	94	27	99	_
Phone	Comm	Previous	High/Low		2000 2100		128 77	31	58 107	158 231	
WY	113.45	113.85	111.76 113		Copper (Sired	e A)	C			Pada	_
en Aus	117.55	117.90 121.65	117.90 117 121.86 121		2800		172	136	38	91	
lay	124.60	124.80	124.90		2700		107 80	80 87	64	142 206	
and the	Cloue	Previous	High/Low		2800		80		116	205	
lov	112.00	112.60	112.00 112		Coffee		Nov	-	Hav	ales o	
	118.15	116.60	115.60 116 119.60 116		650		4	70	8 24	12	
	119,29 120,40	120,50	120.60	Lean .	650		4	39. 21	91 24	21 63	
umove	r: Wheet	74 (105), B	stey 197 (4	2).	Coccet		Dec	Mar	Disc.	Her	
UN THOUSE	1007 01 3	100 sympes.			700		75	118	18	25	_
					750 800		46 25	87 62	30	45 78	
198 -	BPE	(Ca	න් එහෙන	and prog			Nov	Dec	-	Dec	_
	Close	Previous			Street Create					135	_
	105.9	106.2	108.0		2050		` .				
	r 16 (21)	iota of 3,25	a lag		3100			490		110	

Zinc, Special High Gr Total daily turnover 6,012 lots de (5 per ton 1480-5 19,451 Jula 9 (Honday: 1.804) or: Sectionbut 18 1981 = 100 Sep \$4 Sep 21 meth, ago yr ago 1767.B 1801.S 1779.0 1867.5 W JONES (Base: Dec. 3! 1974 = 190) Sep 21 Sep 26 stress ago ye ago 125.09 133.05 Commercial Property Advertising Friday

For further information in North America please call; JoAun Gredell 212 752 4500 or write to her at 14 East 60th Street New York, NY 10022 **FINANCIAL TIMES** 

## WHAT ON EARTH **WOULD YOU** LIKE TO KNOW

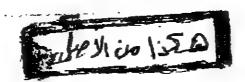


Everyday you have an array of questions which need answers. You need to know the background to issues in the news, companies, personalities - hundreds of different subjects. How do you research them all?

FT PROFILE is an online database that makes it easy! You can track down the answers you need in seconds from newspapers, newswires, business magazines, company reports and specialist market research. Millions of articles from leading publications like the Financial Times, The Guardian and the Associated Press newswire are available instantly.

For more details contact FT PROFILE on 0932 761444 FT PROFILE is pure of the Financial Times Gre

#FT SD2 from



127.4 49.18 (9/1/35) (3/1/75)

83.80° (30/4)

RISING OIL prices, reflected in a weak opening to the new ses-sion on Wall Street, yesterday overwhelmed a UK stock market already grappling with worries over the domestic economy. After rallying from an early fall, the market fell steeply in later trading to close 35.2 FT-SE points off at 1,990.3, its first close below 2,000 for nineteen months and the low-

est level since January 1989. Trading volume, as measured by the Seaq system, was high, but the day's total was swollen by substantial deals in the Beta, or second line issues. Intra-dealer activity was also high and tax-loss trading in high and tax-loss trading, in which stock is sold overnight

**e**31

Account Dealing Dates Sep 10 Sep 24 Oct 5 Oct. 10 Qct 15 Oct 29 View-time dealings may take place from 8.30 am two business time garlier.

morning, increased after County NatWest a leading UK marketmaker, advised clients that "all our market indicators are flashing that equities are a

for repurchase the following

Shares opened lower after Mr John Major, the UK Chan-cellor of the Exchequer, indi-

marked down at the start of a

week that could be a key test for market sentiment, with

interim results due from several leading concerns. Beazer shed 8 to 101p ahead of Thurs-

day's release of annual results.

cated in Washington that he had no present plans at present to lower interest rates. A blunt answer to the Confederation of British Industry, which had disclosed that the confidence of its members in the economic outlook had fallen to a ten-year

Some marketmakers took the opportunity presented by the early fall of 14 Pootsie points to buy stock in order to close short positions, and the market was already looking steadier when it was further encouraged by the news that the UK monthly trade deficit had shrunk to £1.13bn in August, better than predicted by analysts. At mid-morning the market was only 7.1 Foot-sie points down. However, sentiment soon turned off as crude oil prices moved ahead sharply in London, taking the Brent spot price shove \$40 a barrel — the consequent firmness of sterling was discouraging for the export stocks. Equity traders soon caught the hint of a weak start to the new Wall Street session, but the reality of a 52 Dow points loss in London hours was much more than the UK market expected.

UK share prices quickly slid away, and at worst the market was more than 38 Footsie points off, although most of the late fall reflected little more

would stand to lose £200m of

ness) with no compensation.

Mr Hudson also pointed out that the bulk of GA Ontario

the little against contribu-tors to GA's group profits. He increased his forecast of losses in 1991 from £15m, to £30m, and his estimate of losses in

1992 from £7m, to £20m. Insurance broker Lloyd

Thompson slipped 2 to 2760 after the preliminary figures, Willis Faber declined 5 to 204p

on news that US group Aon is dropping out of the race for control of Corroon &Black, the

US insurance broker, having

failed to gain the agreement of the Corroon board. The latter

said it will pay a special divi-dend of \$2.50 a share condi-tional on the Willis/Corroon bid being approved by the

respective shareholders.

The high street banks performed creditably, with Abbey and TSB notably firm against the wider market. Standard Chartered, however, fell 13 more to 289p and were badly affected by worries about corporate failures and bad debts.
The announcement that one of Simon Engineering's subsid-

of Simon Engineering's subsidiaries, Simon Flariley, has won a 19m contract to upgrade eight water treatment after for

Southern Water failed to impress and the shares eased 5

to 313p. Folket Group eased to 58p

after the company held an extraordinary meeting to

approve the acquisition of the liabilities of Walter Somers, the company linked to the manufacture of an Iraqi super-

respective shareholders.

then marking-down operations by marketmakers unwilling to take stock on their books. See volume totalled 500.3m share against 553.7m on Friday, but was boosted by the substantial rise in Mount Charlotte Investments, the hotels group, in the face of a 5544m bid from Brierley investments, which dis-closed that it had bought the 10.1 per cent stake in Charlotte previously held by the Kuwait

Fined Interest

Investment Office.
The tone of the UK market was flat at the close as traders in London watched with dis-may the trend of crude oil prices - and share quotations - on the other side of the

ise private motor insurance in the province, then he esti-mated that General Accident County NatWest recently cut its forecasts for the group to "reflect the impact of likely adverse currency movements, lower interest receivable and a patchy performance in some of premium income (6 per cent of its worldwide non-life busitheir smaller businesses." For the current year County reduced its pre-tax profits estiauto book is written by specialist underwriter Pilot, which has consistently been in underwriting profit, making it one of the most significant contribu-

mate from £950m to £910m, while for next year they went down from £1.0350m to £960m. However, County upgraded its stance on the shares from negative to neutral, taking note of its defensive strengths in the current environment. Salomon Brothers issued a straight buy note on the stock, highlighting its solid earnings growth.

Oil prices continued to hite at P & O, which retreated 7%. to 467p ex-dividend. Eurotusnel again fell amid growing: fears over the absence of any cing package. The shares lost 5

Severa Trent Water was believed to have purchased more stock of Caird Group yes-terday at 100p, the price of Sev-era's conditional bid, and could now be holding around 26 per cent of the company. Caird shares settled slightly firmer at 101p, while those of Severa dipped 5 further to 208p. A 700,000-share cross

accounted for much of the 2.8m turnover in Banks Hovis McDougall, which slipped 14 to

Unigate survived some wary comment from James Capel and ended unchanged at 295p, having peaked earlier at 296p.

Argyll eased 2 to 233p in spite of a profits upgrading from Hoare Govett in the wake of a meeting with the company of a meeting with the company on Friday. The broker's new

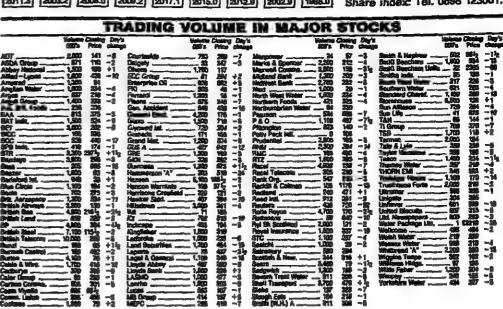
1510.4 (24/9) 1990.3 2463.7 996.9 (24/9) (3/1/90) (23/7/84) FT-RE 100 Shore (3/1)Ord, Div. Yield Earning Yid %(full) P/E Ratio(Net)(>) Basis 100 Govt, Secs 15/10/26, Fixed int. 19 Ordinary 177/35, Gold mines 12/2/55, Basis FT-SE 100 31/12/63. \$\text{this 9.04} 12.94 9.37 SEAO Bargns 4.45pm Equity Turnover(Dm)† Equity Bargains† Shares Traded (mi)† 25,895 834.90 24,955 451.9 17,418 742,22 16,966 334.5 17,615 21,436 639,93 629,55 16,167 20,683 312,2 282,7 20,024 GILT EDGED ACTIVITY Sept 21 Sept 20 Indicas" Day's Low 1506.5 inges Day's High 1534.9 Open 9 sm 10 sm 11 sm 12 pm 1 pm 2 pm 3 pm 1528.4 1522.2 1524.8 1527 1 1533.9 1531.2 1528.1 1521.2 1508.0 \*SE Activity 1974.
1Excluding intra-muriant business
A Concession burners. Day's High 2018.4 Day's Low 1986.5 FT-SE, Housty changes Open 9 sm 10 art 11 sm 12 pm 1 pm 2 pm 3 pm 4 pm 2011.5 2003.2 2008.0 2009.2 2017.1 2015.0 2012.9 2002.9 1958.0 London report and latest TRADING YOLUME IN MAJOR STOCKS

FINANCIAL TIMES STOCK INDICES

78.45

78.41

86.63 86.62 67.00 87.01 87.04



higher at £283m and it said that sales were improving and margine were I per cent higher than last year. Argyll is also meeting other securities

A renewed pledge to retain high interest rates by Mr John Major, UK Chancellor of the Exchequer, weighed heavily on the property sector. Sentiment was also undermined by the proximity of quarterly interest newwents due at the end of payments due at the end of this week. The more easily traded stocks bore the brunt, irrespective of whether they, like some smaller and more illiquid companies, are likely to struggle to maintain the confidence of their bankers. Leading stocks were also

marked down as a result of the

a leading Dutch property con-cern with an interest in Hammerson. The latter lost 24 to 518p, although dealers were quick to point out that, on a turnover of just 200,000, the price reflected more a mark-

down than a heavy volume of stock coming on offer. Land committee weakened 13 to 454p in a move described as a fall into line with losses elsewhere. There was a markdown of 7 to 419p for MEPC. Moun-tieigh also suffered heavily, closing at 68p to register a loss of 15.

Brent Walker staged a brief rally ahead of figures expected later this week. But the market then appeared to have second thoughts and the shares ended a penny off on the day at 119p.

£50.3m to £56.2m helped Hays buck the market trend. Shares in the business services group which was floated on the stock market last autumn, held

steady at 35p.

The disclosure by MAI, the information and financial services group, of annual profits comfortably above market expectations offset the managing director's cantion about current trading prospects and sent the shares 3 higher to 91p. Rutiand Trust, also a financial services company, reacted sharply after reporting a 11 per cent shortfall in interim profits and closed 8 down at 11p.

Other Market statistics, including the FT-Actuaries share index, Page 25

**CANADIANS** 

\$1.08 \$1.80 \$1.80

42c 85c \$1.16

## **Brierley** bids for Charlotte

A BID by Sir Ron Brierley, the New Zealand entrepreneur, for hotel group Mount Charlotte shone a thin ray of light into the gloom of the market. Sir Ron was said by analysis to have paid 72p a share for the Kuwait Investment Office's 10 per cent holding in Mount Charlotte, taking his holding

past 29.9 per cent. His 73p bid was the lowest possible under takeover rules he had bought stock at just less than 73p in the last 12 months. However, Ms Lindsay Russell at BZW claimed that the average price paid by Sir Ron since beginning to buy the company's stock two years ago was more than 80p a share.

Mr Paul Slattery at Klein-wort said the bid was "cheeky," pointing out that the company's net asset value is 1220 a share. But he conceded that it was hard to see who might come in as a white knight. Mr Bruce Jones at Smith New Court argued that, if successful, Sir Ron was unlikely to change top management since he did not have in-house expertise in the hotel

Analysts and marketmakers agreed that Sir Ron's 40 per cent holding meant that he could gain control even if most of the other shareholders felt the offer was too low. Researchers said that enough tempted by the cash in a fall-ing market and the boost to a fund's quarterly performance to hand over the necessary 10 per cent.

Mount Charlette climbed 11 to 70 kp, mid price. No market-maker was offering the stock at more than 73p as the market

More pain

Trafalgar House suffered another painful session as con-cern grew ahead of the announcement of the year's results. James Capel, the agency broker, was believed to have tried unsuccessfully to place 4.8m shares at 170p a share, and the gloom brought on by a series of recent down-gradings deepened. The shares were pushed down to 1889 before a rally left them at 170p.

a loss of 14 on the day. Doubts re-emerged over the property and construction group's ability to maintain the final dividend, and one researcher suggested that the shares could face further turbulence in the approach to December's annual results. Construction shares were

The latter are expected to show pre-tax profits of £105m, against £131m, according to Shearson Lehman, although Hoare Govett is looking for £95m. Meanwhile, today Tarmac is expected to announce a drop of one-third in interim profits to £98m from £154m. Steetley moved up sharply as the interim figures came out better than anticipated. But the sharp profit rises in Euro-

pean construction ventures notably in France and Spain -were offset by a downturn in UK turnover, and the price ended just a penny higher at 325p. Elsewhere, Countryside Properties fell 12 to 72p.

The latest rise in crude oil prices, to around their highest levels for some 10 years, failed an produce much estimate in an endergo in an endergo in a produce much estimate in a

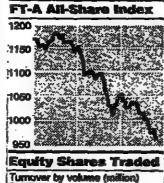
to produce much action in an oil and gas sector more con-cerned about the affect of cerned about the affect of recession on the petrochemicals business. The latter provided 20 per cent of Shell's operating profits and some 18 per cent of BP's in 1989.

BP closed 3% off at 385p with only 4.8m shares traded. Shell were a shade firmer at 480p ex-dividend on 3.7m shares. British Cas resed 2% to 216%p on 4.9m.

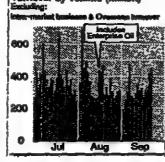
to 216%p on 4.9m. Chemical issues were lower on fears that profits would be hurt by the surging price of oil. Hickson International dropped 9 more to 106p and Evode, rated a sell by BZW, fell 9 to 97p. Broker downgradings in the wake of last week's disappointing integring profits put

pointing interim profits put fosco down 5 further to 163p. Recently depressed Wardle Storeys, however, railied 3 to 218p. Brent Chemicals found support after revealing half-yearly results slightly higher than anticipated and improved 4 to 1870.

Leigh Interests continued the decline which began last Tuesday on the agreed tid for H.T. Hughes. Leigh shares, 296p prior to the announcement, lost 15 further to 230p. The insurance sectors were among the worst performing areas of the market. The life



Turnover by volume (million)



insurers were given a thorough shaking, with Legal & General singled out by one UK securities house and sold down to 346p ex-dividend, before setthing a net 16 off at 349p; turnover in the shares, however,

over in the shares, however, was a meagre 1.1m.

Prudential, on the other hand, was helped by news that the group is selling its Belgian insurance subsidiary Compagnie d'Assurance de l'Escaut to French insurance group AGF for £157m; "a good price," noted one dealer. Pru ahares were only 2 off at 194p, also

There were two big losers in composites, General Accident and Royal. There was severe sive selling of the latter as the market picked up hints that the company could be about to launch a suro-convertible

launch. a suro-convertible rights issue. Royal abares fell back to 334p before stabilising and closing a net 19 lower at 337p on turnover of LSm.

A bearish note issued by BZW took its toll of General Accident (GA), whose shares retreated 15 to 428p, after 423p, on volume of 340,000. BZW's David Hudson said that if the newly elected New Democratic Purty in Ontario, Canada, carried out its threat to nationalried out its threat to national-

NEW HIGHS (4)
BRITISH FUNDS (2) OILS (5).
NEW LOWS (22) OILS (5).
ASSISTCAMS (2) OILS (5).
ASSISTCAMS (2) CHEMICALS (14) STORMS
(27) ELECTRICALS (57) ENGRESSION (20)
POODS (5) NOTELS (7) ENGRESSION (20)
Afra-Lees S, Allied Pert., Anglo United,
Assos Brit. Consultants, A. E. Ports, Assoc
Nursing Serve., Avon Rubber, BSA. Do.
4.7pc PL, BBA, Bet., BOC, BSS, BTR Myles,
BTR Werarts 1982/S, Baled (Win), Berry
Webrulker, Belcaniste, Billian (6), Bilgion
4. Batterses, Binck (7), Branner, Britgeril,
BTL, Polytone Inde., Brown S. Trusses,
Business Tech., CAMP Pack, Certamos Street
Irvs., Campiell & Armstong, Charter Goss.,
Christies Intl., Cloyhilbe, Certamoshy
froupfast, Campiesr People, Cossif,
Courtmotés, Courtmy Peop., Dobson Park,
EFG, ESS, Elskin, Eleco, Endre Has, Fielcher
Chinge, Gosod Durrant, Campiesin, Gramats,
Qo, Papa Cy., Gravessood, Hampson Inde.,

Heardier-Haltier, Harris (P), Havefock Batops, Hereth, Heart LJ, Johnson Cleaners, Johnson Atesthey, Kersher (A), Kity Liste, Listeahall, Lirken Part, Nectorians, Magnolie, Maybox, Methor, Marges Cruchts, MAC, Heaton-SHA, Norrisk Has, Nu-Burf, Marker (Montes (Montes Pottereran Potterio, Personal Dullyn, Personal Int., PRF, Record, Recreate Bullyn, Protect Int., PRF, Record, Recreate Recurricy, "A", Securitysis (A), Security Services, Services, Shide, Skiller, Silvershree, Shetrier, Shig, Services, Souther Bestrees, Shide, Services, Sustantians, Stocker Services, Shide, Skiller, Silvershrees, Shaterbey, Shig, Farrobra, Southern Business, Shicolains,

#### **NEW HIGHS AND LOWS FOR 1990**

Smallowfield, T. & N. T. T. Tadagor House Unigroup, Virher, Water Landing, Whitecoret, W. (J.) Wood (A), Who, Whitelers, YRM, INSURANCE (P) LESPITE (T) MOTORII (3) NEWSPAPERS (T) PAPERS (22) PROPERTY (S) SHOUS (1) SOUTH APRICAMS (3) TEXTULES (13) TOMACCOS (1) TRANSPORT (8) TRUSTS (135 AM & C) COMMISSION (9) TRUSTS (135 AM & C)

manufacture of an Iraqi super-gun, and Crank and Forga.

The listing of Blackwood
Hodge was suspended at 21p as market sources suggested that the company was in talks with BM Group, whose shares were also suspended. It is believed that a merger between the two companies will be announced shortly. shortly.

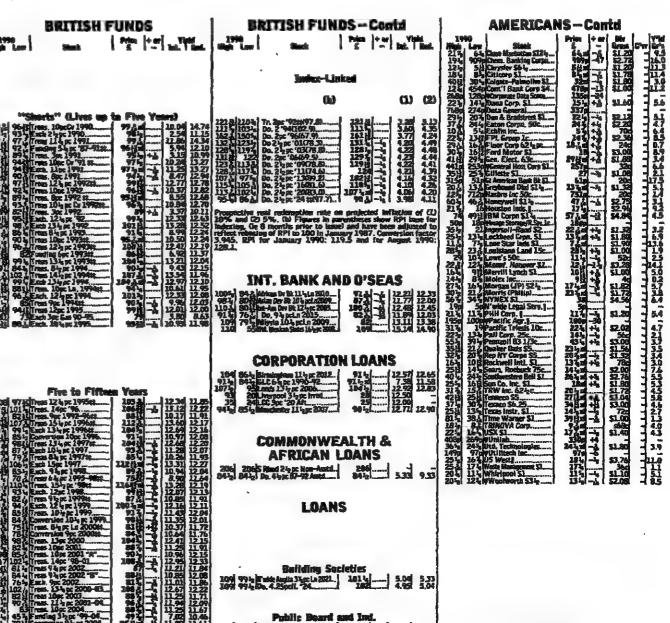
Britisk Aerospace mainprompted by worries over a potential Saudi order for Tornado aircraft and ended 11 lower at 534p ex-dividend.

The recent profits downgrades by analysts continued to bear heavily on British Tele-com, which lost 5 to 258p, and Cable and Wireless, 12 off at

416p. Racal Electronics, one of the ten worst performing stocks in the Footsie since the beginning of the year, dropped 7 more to 139p with almost 5m shares changing hands.

GEC attracted good two-way interest with 4.3m shares traded; the shares were only marginally easier at 176p

#### LONDON SHARE SERVICE



Public Board and Ind.

**FOREIGN BONDS & RAILS** 

**AMERICANS** 

#### APPOINTMENTS

### **Nationwide** legal chief



Mr Charles Reed (pictured) has been appointed assistant general manager, legal services, at NATIONWIDE ANGLIA BUILDING SOCIETY, ANGLIA BUILDING SCHOOL ANGLIA BUILDING STATES AND SECURITIES department. He was regional sales manager for Essex.

Patrick Cockell has been appointed managing director of MANUFACTURING SYSTEMS PRODUCTS. He was sales and marketing director.

THOS. R. MILLER & SON (HOLDINGS) has appointed Mr E.R.G. Clarke as deputy managing director of Thos. R. Miller (Energy Insurance Services) from October I.

PILGRIM FOOD GROUP, Hull, a newly-formed company which recently acquired Chaucar Foods from Hazlewood Foods, has appointed as its managing director Mr Colin Hunter, who remains managing director

Mr Robert A. Cosby, a merchant banker, becomes chairman of Pilgrim. Mr John Simons, finance director of Hazlewood Foods, and Mr Charterhouse Development Capital, become non-executive directors, representing their companies which each has a 25 per cent holding in Pilgrim. Mr Lawrence Boxall has been appointed operations director of Chaucer. The company manufactures croutons.

NEWCHURCH & CO, a venture consultancy company, has appointed Mr Nigal Forwell as director of consulting. He was with Epson (UK) as director of finance and head of sales.

■ DENTS GLOVES, part of the Dewhurst-Dent group, has appointed Mr John Roberts as managing director. He was senior merchandise controller with the Childrens World subsidiary of Boots Co.

ROYAL MAIL PARCELFORCE has appointed Mr Jim Woodman as director of operations. He was with Federal Express, as managing director, priority services division, and replaces Mr Keith Webb who has retired.

m HALL & TAWSE, a Raine Industries subsidiary, has appointed Mr Bob Glibbery southern construction division. He was deputy managing director of Hall & Tawse Southern.



Mr Peter Davies (pictured) has been appointed managing director of DHL INTERNATIONAL (UK). He joined the company in March from Quantas where he was regional freight manager, Europe and Middle East.

■ PROVIDENT FINANCIAL GROUP has appointed Mr John Lomas as director of human

REUTERS HOLDINGS is making the following structural changes from October 1. Mr Buford Smith. senior vice president. marketing and development,

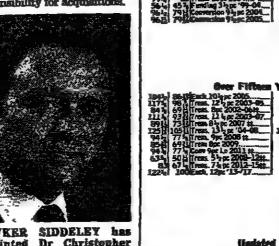
Inc, US, becomes senior vice president, information product echnology. Mr David Morgan, general manager, trading room systems, is made marketing director, and Mr Martin Vickery operations director

Renters Information Services

of Reuters Europe, Middle East and Africa. Mr Mark Wood, editor-in-chief, will assume control of development specifications for real-time and istorical news products. Mr Peter Benjamin, managing director, Reuters Historical Information, Is



HAWKER SIDDELEY has appointed Dr Christopher



Burns to the group executive, with responsibility for the aerospace division, from the end of September.

LONDON SHARE SERVICE

● Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help deak on 071-925-2128

DANKO III A I TANKI		LONDON SHARE SERVICE	Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help desk on 071-925-2128
SANKS, HP & LEASING	5.7 172 978 (Witherpolant Sp. 120 145 14 15 15 15 15 15 15 15 15 15 15 15 15 15	ELECTRICALS — Control    1998	INDUSTRIALS (Miscel.) - Contd   100   10
14   98   14   15   15   16   17   18   18   18   18   18   18   18	19   19   19   19   19   19   19   19	1	100   100
19   September Group   19   15   16   18   18   18   18   18   19   19   19	137   36   16   17   17   18   18   18   18   18   18	Scher (1) 200. 9   416   42   13, 10, 110   124   40   91   13, 10, 110   124   40   91   13, 10, 110   124   40   91   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 110   13, 10, 10, 10, 10, 10, 10, 10, 10, 10, 10	1.64   1.75

FINANCIAL TIMES TUESDAY SEPTEMBER 25 1990 on FT Cityline. To obtain your free **LONDON SHARE SERVICE** INVESTMENT TRUST—Contd INVESTMENT TRUST - Contd PROPERTY - Contd Contd 35108 1.0 12.0 6 0 3.9 5.4 6.3 5 79 3.1 4 6 7.5 9.0 2.1 7.2 8.1 6.37 3.2 7.1 5.7 2.4 1.7 5.5 14.6 6.25 3.0 7.8 4.9 118.5 25 6.2 THIRD MARKET **OVERSEAS TRADERS NEWSPAPERS, PUBLISHERS** 9288 1 8.7 96.4 9.8 1 3 173 1119.6 LAND, ETC PLANTATIONS 375 181114 40 6149 7% 1014 68% 1710 6016c 3.3 4.1 210 0.4 2.1 4.45 0.124 12.0 0.2 2.4 12.0 0.2 2.4 12.0 0.2 2.4 12.0 1.2 4 12.0 0.2 2.4 12.0 0.4 12.0 0 C.M. GL.7 Rubbers, F 63 Angio East Plants...et 62 Bertare 100 32 Conts. Plants MSO.5... 27 Guide Hope Pis. MSI. 42 Highlands MSOc. 57 Kizsia Kepong MSI... 30 Leadu Hidgs. 50 42 Reput Dant By. 100, 100 64 12 12 17 -5 14 -5 2.0 2.2 29.20 50% 020c 017.5c 0.7 2.0 14일 21 3의 SHOES AND LEATHER PAPER, PRINTING, **ADVERTISING** 01000 2.6 I **SOUTH AFRICANS** 3 JaPajii Hidga.

20 gracies 90c.

7-94 East Dagos Pil.

C.4 Eastern Tus. Ca. 50c.

118 E 1650 50c.

6-96 control 25 c.

6-96 Lands 6-5c.

30 Rander 25c.

30 Rander 25c.

30 Rander 25c.

30 Rander 25c. 6184 - 0386 3,5 431 +6 0170 3,1 441 -6 022 2,3 441 -7 01012 2,0 441 -7 01012 2,0 261 -20 054 0 2,3 161 -7 01012 2,0 262 2,3 263 -20 054 0 2,3 163 -7 01012 2,0 263 2,3 264 2,3 265 2 

SUNE SUNE

The state of the s

ng sts an ito ul-ly, ole sts rat exts od

to ti-ta-ng nd en us-he ur-ier sir th-sir tot

ise om :he ch tid, ale to 2m its

ere est up up nd ion les

FT	MA	NA	GED	FUNDS	SERVICE

© Current Unit Trust Prices are available on FT Citylins. To obtain your free Unit Trust Code Booklet ring the FT Cityline help deak on 071-885-2128

AUTUANYATA	<b>基础是原作</b> 版	· 基础 是 "" ""	<b>基础是 陈""</b> 第			Out Trust Code Society had any Pr	
AUTHORISED UNIT TRUSTS	Bulletin & Co. List - Confel	What Treet Mayor Let (1800)7 35. Berinden, Rost 803-90. 001-464-951. Gerter yik:	Mare Final Menagers (2.2000F are Hous, 16-18 Menange Street I CCR SAJ posts (227-5640g) moder Serious Franking (880-189 SIS	LAS Unit Tot Mayor List (1800)81	State of the Company Carlo Company Part Harmonic Carlo Company Part Harmonic Carlo Company Carlo	American Front Maries Laid CLEANER # 177 177 177 177 177 177 177 177 177 1	reader Unit Trends   1st - Contag.
THE AME IN THE PROPERTY OF THE	t Unit Tot March Ltd CL400)F Interest	Silver 2027 3027 22 10 est 446 Silver S	10000000000000000000000000000000000000	"我们是是一个一些时候,这一样,这里就是这个时间的。"	Street	Newton First Majors List (1990)  3. Laster Bridge, St.   4. Laster Bridge, St.	o Smith Can 55: 45.56 45.56 46.56 46.16 460.00 and under the same United 54: 45.74 46.14 46.00 46.00 and under the same United \$ 54: 40.20 46.50 45.51 46.50 and under the same United \$ 54: 40.20 46.70 46.70 46.70 46.70 and under the same 54: 40.20 46.70
Abbay Unit Tisk Mayer (2,0000)   15% Both	Sent 51.147 01 47.01 49.03 -0 17.79 1119 1119		100 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	10 Aug Cody . 54 (1992) 95.0 101 96.00 14.0 10 Aug Cody . 54 (219) 219 219 250 16 16 Bandy . 54 (219) 219 2 3 201.00 16	New Care Section 5 22.03 32.04 34.14 - 0.09 (Libs Access Units) 5 4.2 4 4.2 4 4.0 4.14 - 0.09 (Lib Access Units) 5 4.2 4 2.4 4.0 4.14 - 0.0 4.10 (Lib Access Units) 5 4.0 4.0 4.0 4.10 4.10 (Lib Access Units) 5 4.0 4.0 4.0 4.10 4.10 (Lib Access Units) 5 4.0 4.0 4.0 4.10 (Lib Access Units) 5 4.0 4.0 4.0 4.0 1.0 (Lib Access Units) 5 5.3 4.17 5 5.3 4.1 4.1 4 4 4.2 1.5 (Lib Access Units) 5 5.3 4.17 5 5.3 4.1 4.1 4 4 4.2 1.5 (Lib Access Units) 5 5.3 4.17 5 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2	Revisio Course    4.877.4   17.17   17.20	200 Links 34 45.13 45.13 45.13 16.15 16.16 16
Manifecture Researce 4 (2.1) 42   11   45   12   42   16   45   16   16   16   16   16   16   16   1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	275 216 117 2074 1174 1174 177 32074 1174 1174 177 32074	是 10 10 10 10 10 10 10 10 10 10 10 10 10	L & Callett Tot Manual List 009050P Products tim, 5 Appele S, ECA 200A 077 - Manual of A comment of the Callett St. 200A 077 - Manual of A comment of the Callett St. 200A 077 - Callett of A comment of the Callett St. 200A 077 - C	Dath *   100.3   100.4 au 100.4   100.7   120.6   120.6   120.7   120.6   120.7   120.6   120.7   120.7   120.6   120.7   120.	m mir frankry (* - ) 64.64 25.35 00 00 (0.155.30 )  spirmalisma 61.75 112.15 137.52   40.27    frankry 61.75 112.75 (1.15 1.27 1.20 )  frankry 61.75 112.75 (1.15 1.27 1.20 )  frankry 61.75 112.75 (1.15 1.27 1.20 )  frankry 61.75 114 154.14 (1.15 1.27 1.20 )  frankry 61.75 114 154.14 (1.15 1.27 1.20 )  frankry 61.75 114 114 114 114 114 114 114 114 114 11	100   200
Annex Growth A 192.5 197.0 140.5 4.4 1.15 (Access the Annex Care Francis & 187.4 197.1 186.0 140.1 18.6 197.1 18.	Mara 등 기가 다양한 방법 첫 첫 첫 시스 (4)	THE TAKE HE WITH THE PARTY OF T			Machine United 3 10 22 45 45 45 45 45 45 45 45 45 45 45 45 45	W. Garrier Growing   744.7 at 17 to 2.70 ct. 20 7.20 7.20 7.20 7.20 7.20 7.20 7.20	
The Capital Sec.   1   1   1   1   1   1   1   1   1	The state of the s	Company   Comp		Lawrence life, Edward, Streets CLA 772	Accuse theirs)	For PK English tor one English Treat her The Paster Claff Treats Light CL606014 (ext	
UK Growth Dist	And Brookless to 177 March (21866) Blaceti	ectory Unit Fund Mages (1000)F Paints Middlete, 44 Wilson D. Etc. (17)-377 MgC Paints Mages (12) 123 MgC Paints (12) Wilson Lap 21 1224 1236 Paints (12) Wilson	그는 건강의 과연지역나왔산	54.15 54.16 57.41 671 19 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	man	Transp.   Last Construct   Last Cons	10   10   10   10   10   10   10   10
International State of the Stat	TYPE 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	red Front Manyt List (1.000)F	011.5 11.9 11.9 14.9 14.7 15.7 15.7 15.7 15.7 15.7 15.7 15.7 15		Service Core   1,200	Access United	mi Unital 9 \$ 41.00 AP.44 49 34 MIDA 35 STORY CAR 9 \$ 21.40 24.00 24.4 41.10 mm utusta 9 \$ 21.40 24.0 24.4 41.10 mm utusta 9 \$ 21.40 24.0 24.4 41.10 mm utusta 9 \$ 21.40 24.0 24.0 24.0 24.0 24.0 24.0 24.0 2
	A Tambe I del CLADATE	Unit Tot Magro Life (14869)		III Copped Sup(20 _ 6) 226.7 226.7st 271.3 6.36 III be 6 feet Sup 21 _ 6) 301.9 301.9st 267.4 5 96. in UE become Sup 20 _ 6) 176.4 178 and 182.5 6.61		m basin truin 14.9 2.0 4.4 20 2.0 1.0 2.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1	- 100 M 100
Entra location \$4 3443 34 434 477 409 477 CERC On	17 19 Managers ptc (120078   1   1   1   1   1   1   1   1   1		######################################		Lartin Jupiter Velt Tot Mars List (19965)/ 97 Koldestridge, Lapse SW7 11th (77:-26), 2020 maricin Car	THE RESERVE THE PARTY AND THE	
Final for Tel		of Tat Magay List C.400000 and Ter	\$1.60 17 18 18 100	Lagar & Grand RLT, Niger Lis (2,2003)  Admit: 5 Apriley Rept. beller, Niger Lis (2,2003)  Empiries 007 207300  Destroy Det. 10 10 10 10 10 10 10 10 10 10 10 10 10	mericani Cop	Perpetual Unit Tot Magazi (1600)  Ill Hart Street, Senior of Thomas (17) 57(4)  Senior of Thomas (17) 57(4) 57(4	Albert State Total Street Link (1900)
Sanisi Swattan 14   50 97 20.47   54.41   64.197 77   100   UK Growth 16   13.69   30.60   32.94   64.97   100   Warts Growth 16   42.65   42.65   42.51   64.07   100   Access Unit Trust Management Ltd (21.00)F   12.74   1 White Mart VI 1640   1541   1571   1571   1671   1671   1 White Mart VI 1640   1641   1571   1571   1671   1671   1 White Mart VI 1640   1641   1671   1671   1671   1671   1671   1 White Mart VI 1640   1671   1671   1671   1671   1671   1 White Mart VI 1640   1671   1671   1671   1671   1671   1 White Mart VI 1640   1671   1671   1671   1671   1671   1 White Mart VI 1640   1671   1671   1671   1671   1671   1 White Mart VI 1640   1671   1671   1671   1671   1671   1671   1 White Mart VI 1640   1671   1	Manager I best (10000) (re-0.4)		Semi 40,4 0,0 40, 0,3 1,5 1,5 1,5 1,5 1,5 1,5 1,5 1,5 1,5 1,5	173 7314833 16013	Parties Lang, Patters for EMs (A) 9707 45104 Parties Lang, Patters for EMs (A) 9707 45104 Parties Lang, A 94,74 45 43 94,74 4217 144 that lineare for 44,73 43, 44,75 423 423 424 Parties Lang, Patters for EMs (A) 44,75 423 423 423 423 423 423 423 423 423 423		
	100 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	- 180 HV W1 H	A CAT CONTROL OF THE CONTROL OF T	Married Married	至過程的正統 國立 存近 注	Philifes & Drew Unit Memogers Ltd (1400)F - Do & & Fladory Super, Lepton EC2A 1/10 - 977, 428,4470 - g <sub>oo</sub>	Land State of Land Land Care of Land Land Care of Land Land Land Land Care of Land Land Land Care of Land Land Land Care of Land Land Land Land Land Land Land Land
20 Carrier 19 Carrier	Afte Limit Tot Majors Lad (1280)F  Stars Bar, Hors, 17th 586 (1707 51128)  Rath Read,  1711 J. 10t y 180 5 8 6015 50 UK Salams  1711 J. 10t y 180 5 8 6015 50 UK Salams  1711 J. 10t y 180 5 8 6015 50 UK Salams  1711 J. 10t y 180 5 8 6015 50 UK Salams  1711 J. 10t y 180 5 8 0015 50 UK Salams  1711 J. 10t y 180 5 8 0015 50 UK Salams  1711 J. 10t y 180 5 8 0015 50 UK Salams  1711 J. 10t y 180 5 8 0015 50 UK Salams  1711 J. 10t y 180 5 8 0015 50 UK Salams  1711 J. 10t y 180 5 8 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1711 J. 10t y 180 5 0015 50 UK Salams  1712 J. 10t y 180 5 0015 50 UK Salams  1712 J. 10t y 180 5 0015 50 UK Salams  1712 J. 10t y 180 5 0015 50 UK Salams  1712 J. 10t y 180 5 0015 50 UK Salams  1712 J. 10t y 180 5 UK Salams  1712 J. 10t y 180	20 Colt Mag/5 Ltd (2,000) 14 days	7.5 1.013 1013 115.1 7.5		Identify	Migrics Colt Tract Magnet List (0030)F 100 Colt Colt Colt Colt Colt Colt Colt Colt	2 Variet S., Granges C2 200 64 204 220 Variet S. 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Acres Hote Tot Marrie Ltd Clabons	and Strengers List (8630)61 (ar Santa	Carlinston (4.337).  Gallery 1, 170 1741, 10, 48, 49, 41, 41, 11, 11, 11, 11, 11, 11, 11, 11	FIG 105'6 N 360	Pil Am All, Chapters, Rant Mark Str.	A Service Company of the Company of	Strike   Nort   North   Language SET   1600   677   617   7846   617   6	menter fors
· · · · · · · · · · · · · · · · · · ·	20 11.00 11.	1 CAROUT	ring in a second to the second	Second   S	Attent United	The Admin 1923 413 474 414 416 416 416 416 416 416 416 416 41	
Historical Income 6 144.46 55 pt. 46.321 125 b 18 provide Children in November 18 19.77 6 17 (1 19.8) 19.17 6 18 provide Children Ch	THE STATE OF THE PARTY OF THE P	And San Dall And Control of the Cont	March   123.71   13.71   13.44   1.10   1.	To Commit 3700.47 591.47 411.024, 497.18 (According to Commit 580.47 591.47 411.024, 497.18 (According to Commit 580.47 591.47 5	22 10 10 10 10 10 10 10 10 10 10 10 10 10	Principal Unit Treet Meyest List (1600)F   Series Park, Separate, Next 7813 1AN 0792 746700   Chic.	
# for the Plate to 19.20 15 Cold 37 26 4 12 25 Coughbillish # force Printer 19.10 15 18 4 4 4 4 6 6 6 12 15 6 6 6 12 15 6 6 6 12 15 6 6 6 12 15 6 12 15 15 6 12 15 15 6 12 15 15 15 15 15 15 15 15 15 15 15 15 15	Treat Mage Lie C2900F The lie in 17 25700 The	Fruit live Magast Co Ltd (1800)F Gast UK 18, Longo CC W 647 (77.7% 170) Gavett 1973 47 77 37 99 61 Sanction 1973 1874 144.79 61 777.378	Diete ion 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		PER SEC. 17 200 200 201 100 177	market at the second se	
Datito in Recov. Ac		Trust have binaged Co Ltd (1800)F Gase UK as 91, Leaves 62, 184 day 97, 745, 1209 Gavett  403, 17 194 1 145, 98	THE STATE OF THE S	Type	Record United 3. — 6 90.00 90.00 \$3.5 = 0.0 []. No region of Vision (1.5 m) in 90.00 90.00 \$3.5 = 0.0 []. No region of Vision (1.5 m) in 90.00 9		w For inc. 74, 72, 72, 72, 73, 74, 75, 75, 75, 75, 75, 75, 75, 75, 75, 75
Far Emmys	12215 225 277 8 4 A Lin Walton St.,	167 21 Budge a man		### Sum \$100,00 140,00 140,00 140,00	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Selb   1.70   Investments (1.200)
The Property 44 04 44 04 71 14 3 5 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5			le Unit Tit Magnet Lad (0659)F 77 Manual St. Landon El 806 (771-081)919 1000 - 3 Landon El 806 (771-081)919	In Account	1776 1790 4532 235000 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	0 17-19 find Lands W12 20 001 749 9111 Walter 1 174 174 0 184 174 174 174 174 174 174 174 174 174 17	in the West 1 1991 1992 1992 1993 1993 1993 1993 19
let Growt	pel Unit Tot Most Ltd (1955)   Besty & La		I Unit Tut Mayor C10000F at Pl Santowater S091My 6703 212000 6ath	2	<u> </u>	77   47   74   74   75   74   76   76   76   76   76   76   76	inty
Community 100 100 100 100 100 100 100 100 100 10	Department   Landon ECON 44101   S. Green		01640 1650 1744 27530 07270 2744 3001 400 15 0710 2745 274 400177 0710 2745 274 400177	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	17. 17. 17. 17. 17. 17. 17. 17. 17. 17.		## 201   34   44   56   56   56   56   56   56   5
Observed United 1997 1997 1997 1997 1997 1997 1997 199		10.7 10.1 10.1 20.2 11. Salman 1. Sa	Managars Limited (1800) of Rt Universe, Macro UNA 187 (1870) market9 18.27 (1827) of 189 (1872) 18 market9 18.27 (1827) of 1870 (1872) 18 market9 1872 (1874) 0.477 (1874) 1874 richts50 774 (1874) 0.477 (1874)		지역을 살로 가입되었다.		American St. 1362 1967 MACA 2012 M. 1969 M. 19
All characters hav Report Serve Ltd (1220)101  19(2) Sillinia Strong, London Ecolo 217 (271-528 75)45  Analys Income			nety - 5 227 223 1 23 6 4 4 1 1 5 6 6 1 1 1 5 6 6 1 1 5 6 6 1 1 5 6 6 1 1 5 6 6 1 5 6	TOTAL 275.1 277.4 -0.8 (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (0.9) (0.6) (	ney Martest	mary in rata for 77 ) 7 7 7 7 7 7 8 1 17 10 10 10 10 10 10 10 10 10 10 10 10 10	Serveth Ass. 6 15.95 15.77 16.88 627 15.0 Serveth Ass. 6 15.95 15.77 16.88 627 15.0 Serveth Ass. 6 15.95 15.77 16.88 627 15.0 sect Ass. 6 15.95 15.77 16.88 627 15.0 sect Ass. 7 15.15 15.77 16.88 627 15.0 15.75 15.75 15.75 15.0 15.75 15.75 15.75 15.0 15.75 15.75 15.0 15.75 15.75 15.0 15.75 15.0 1
Affind Durdier Unit Titls PLC (1600)F GX1-224477 Affind Dustier Cutro, Sulmin, SH 1.17, 8793 514514		Yard Date DX1 1318 (1912 4121.6) Market	Customy Se Louise CIA 908 077 -539 9446		The state of the s	Transfer   17   17   18   18   18   18   18   18	
		THE RESERVE THE PARTY OF THE PA	##	Service   10.16 474   478 9 3 1 1 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	THE PARTY OF THE P	re Zinterer for [1 eX.]35 eX.55 eX.55 eX.55 eX.65 [3] PO Signary Vision & Market Marke	10. Edward MA 100
					The second of th	Inches   5 Cal     10 Ab   10 Ab   13 Ab   13 Ab   14 Ab   15 Ab   1	
			nt 659 300 		Idom do marto de la column	And More Malborn (buff Trick List (1634))  And More Mill, Urber, Pamer RJ 200. (021-078-3377  And Periods Claim Dayling (2000 042)547  And September (buffer) (2000 042)547	
The second state of the se		Charles Supplement Control of Con		Cancer   MACH   11   12   17   18   18   18   18   18   18   18		To the total total to the total total total to the total tota	S Reprise 10.7, March Line (1.0000)  S Reprise 10, Marine, Secretaria, Secretaria  France 10,71223 2445 10.7741.08.28
Grow & Gilt	10 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	Access  Fig. Climb (90.0) 90.077   77.00    Access  Fig. Climb (90.0) 47.4161    By Climb (90.0) 47.41				The control of the co	(Alliest E.) & Co (1300)*  inf Start, Brainboar \$3.507 (07.504.004)  inf Start
With the Tribunt 1st (Door Sunt	inter Food Name Ltd (1600)	1 1157 1157 1223 24 0.00 3 Vinnet			mile Car   1, 110 10 173   18 18   18   18 18   18 18   18 18   18 18   18 18   18 18   18 18   18 18	herr Japanes — 6 114.57 134.57 (132.55 - 4.9%) 60 21 Her herr Pick Arrey — 5 72.56 72.56 72.56 72.50 (13.57 Herre herr Pick Arrey — 5 72.57 72.57 (13.47 Herre herr Positive His. — 6 59.27 79.37 (13.44 Herre ) 7 Herre herre Sin Car — 6 54.37 53.38 (23.74 Herre ) 1 Herre	State, Balancian Land E. 2410, 077 422 1910 51 40.07 40.09 42.20 13(5.4) 4. Williams Half Tel Mars (1900)
Arthur Carlotte Command Comman	Tot Manager Link (1784)	00.2011 12044 12041 1111 11 40011 1 1 3 3 1 30 10 3 1 00 1 1 00 1 1 00 1 1 0 1 0	Generall Familians Las (1990)	ESSE MANUFAR-30.5138.29 30.20 40.40 (40.70.20 Acres	21 Crowld   14 CQ 47 4 4 3 4 3 1 5 5 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	pency Life Unit Trush Lis (1400)  Farming S. Hampair N2 24 04 25 44 5 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	Hardwood Landon W. A. S
1 (Cap S) Marchane Med 3411 (15) 1044 133 (15) 10 (15)			Unit Treat Managers List (1906) Find the high his Helson, Brustoned, Emis- ter Street, Deathing 1277 (2019) Find the high his high high high high high high	200 JULY 200 275 7 30 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	artemati, it als art is an article in a their is also are are a superior in a their is also are are a superior in	Nacce Staff Mars. List (1806)81 ##.W.	- Harris - 1077 1146 1144 1150 1150 1150 1150 1150 1150 1150
For the last	Chicago per Stringener Vision			100 100 100 100 100 100 100 100 100 100	Contract St. St. St. on an on an arrival	The form, Therefore Well, King 682 MANNES 38 W.	Mar Unit Tot Mayor List (1860)F
B & C E Unit Treat Magnet Ltd (1906) City Flates Many Real County \$10.207 pg. 1275 2471 Units Service PACI-4 Maskey 3 (84.05 57.15 pg. 11 Get 43) Builtie Cifford & Co Ltd (1.400) City Ltd (1.540) City Flates 19 Cimflate S. Echaponia (18.15) City (1.540) City Flates 19 Cimflate S. Echaponia (18.15) City (18.15) Additional City (18.15) City (1		24 (25.5 123.5 123.5 125.4 216) 000 lord American 34 (27.46 27.46 27.65 425.6 20.00 lord lord lord lord lord lord lord lord	1130 1130 1131 137 178 188 188 188 188 188 188 188 188 18	MM Unit Managere Liefze (200000)  Let vom Kom is, Working ing population of the control of the c	THE PARTY OF THE P	Marie 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
## America 9	does Unit Tel Mars 134 (1990)  Finite State  12 11 12 12 12 12 12 12 12 12 12 12 12 1	한 법은 한 사람이 사람이 없었다.	277 227300 Casting (277 648300 0)	Grand F	gon Greeful Unit Tot Mars List (1806)))  lettery Cross Leader Corn List  Fr. 171-Less (1806)  Experime 677-688-123  Sections 574-104-124  Sections 574-104  Sections 574-104-124  Sections 574-104  Se	Smartin (April 6 194.27 194.29 201 79 4.39) 1.09 Shandi Smartin (April 6 194.27 194.29 201 79 4.39) 1.09 Shandi Smartin (April 6 194.90 194.92 11 4.00 194.94	100 Life Tot Blant Lis 86229H St. Edinburg 112702 000 30377 Sec. 11 203 203 204 101 247
50   100   1	10000 573397 day 4 Flores to		A MAN HAMMAN AND A STATE OF THE		### 1945   1945   1946	mile Amirina S. 257 2077 3430 422 427 100 100 649 100 100 649 100 100 649 100 100 649 100	
State of Legislating Code 1887 State 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		APR- Not income relevanted	7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	A Unit Treat Management (12007) (FE STATE ) (FE STATE	Tracks 5 101.5 107.5	10 10 10 10 10 10 10 10 10 10 10 10 10 1	Carlot - 74   196 2   197 A   274 A   415   100
he Trust		The last of the second state of the second s			Trey Morley Unit Name List (1200)	1778 777 128 15 15 15 15 15 15 15 15 15 15 15 15 15	Ann
Function from \$150, \$1,00 \$1,0	### 日本	Colonial Unit Megant (1290) F Signature (2013) 107 Calabi Squar (2013) 107 Cal		ides Caft Trust Manners List Cooper Marr	Trey Merley Unit Name Let (1200) F  parties Leady WCRT Str. 67, 40,774 See  1 min to 14, 1275 202 277	Fire 1 - 54   14.25   57.12   60.13   67.11	
1 7 2 7 2 7 2 7 2 7 2 7 2 7 2 7 2 7 2 7	Union The Desire Classical State Control of the Con	The state of the s	31 34 7 4 7 62 36 27 1 60 31 1 4 7 1 5 7 6 7 7 6 2 8	An Enland	39 35 34 84 84 10 25 10 10 10 10 10 10 10 10 10 10 10 10 10	100 100 100 100 100 100 100 100 100 100	127 173 184 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Di Euro Groß Int 34 ml. 44 ml. 7 ml. 61 ml. 14 d. 14 ml. 25 ml. 15 ml. 25 ml. 15 ml. 25 ml. 2		Unit Mays Lid (1200)	4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	173 173 173 173 173 173 173 173 173 173	10 10 10 10 10 10 10 10 10 10 10 10 10 1	A STATE STAT	100 be Maye Let (1200)
Selfe & Frail III. 32 47 40 47 10 49 11 4 00 10 10 4 10 4 10 4 10 4 10	THE REPORT OF THE PARTY OF THE	103 177 - 00 00 00 00 00 00 00 00 00 00 00 00 0		10 10 10 10 10 10 10 10 10 10 10 10 10 1	Markinal Unit Mingra Lind (14000)  5 Saprings Stand, Mulana, Streetmand, Eugen Sept 2277 227300  Dealing 2777 267301  Equation 1674.09 73.49 80.31 [ed.]]  Marking 1674.09 73.49 80.31 [ed.]]  Marking 1674.09 73.49 80.31 [ed.]]	Sales - 520 20 20 20 20 20 20 20 20 20 20 20 20 2	Registrate Re. Heaten, Bremment, Commission 0:0277 227700 Deather 0777 201000 miles 277 277 277 277 277 277 277 277 277 27
To Jun & Con Jun 34 154 0 154 0 154 0 15 16 0 2 James Oct Ac To Jun San Sten 15 4 153 3 153 7 137 9 40 4 16 0 22 William for Ma To Jun San Sten 35 47 44 47 23 50 20 4 27 10 30 12 Printer to Printer to Part To Leonard 15 15 10 16 16 16 16 17 12 30 00 Account 10 To Recovery 3 1 200 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	### 5209 209 5114 4160 59 (Access Betts) ###51 4160 50 (Access Betts) ###5	5 13.7 9 13.9 4 44 43.0 20 And America 5 13.5 13.5 20.5 20.6 20.6 10.6 10.6 10.6 10.6 5 13.2 13.2 13.5 20.6 10.6 10.6 10.6 10.6 5 13.2 13.2 13.5 13.5 10.6 10.6 10.6 10.6 10.6 5 13.2 13.5 13.6 10.6 13.5 10.6 10.6 10.6 10.6 10.6 10.6 10.6 10.6		do & Season Unit Trust Lad (1200)	And Trend Mages (12000)  How Campy, Barth Manhary, Australian  How Cotton Street  Ballion (1700 Street)  However (1700 Street)  However (1700 Street)	2004 (24 10 10 10 10 10 10 10 10 10 10 10 10 10	
Di Smille Carine 34 32 et 32 e	# 77 # 77 # 55 4 mil 3	\$47.77 \$7.77 \$0.01 \$0.00				I Leaden Unit Tat May Let (1900)	
by University Int., 35, 46, 14, 45, 36, 001-4, 031, 07 by White St., 05, 001-4, 031, 07 by White St., 05, 05, 05, 05, 05, 05, 05, 05, 05, 05	6 4,70 4,70 45,70 45,80 45,84 mt Grand		47.27 7.27 41.51 487743	Photosoph Muneaped Trank (1430)99 (Arriva Harris Spann, Britan, B.; II.A (1991 )2-4445 (Arriva Harris Tamana) 44,94 (Arriva 1412	Nation 34, 193.00 135.10 140 169-1491 134 Report 150 160 160 160 160 160 160 160 160 160 16	Lin Ray Colombia CVI 184 CVID 7 A4400 See Lift CVID 7 A4400 See Li	Laborate Dutt Mars Las Commits
FO Com. 15th Securetions, Kern 8103 CCC 9031-4270 Styles Securetion Growth 55 64,374 64,375 67,025 CCC 15 CCC States Secure American Styles Com. 51 64,76 64,76 64,065 LLN 52 CCC States Secure American June 157,720 57,286 LLN 52 LLN 52 CCC States Secure Styles Secure Styles		6 53 6 53 6 67 07 462 7 00 http://district.	9 121 121 112 113 120 0113 081 121 121 121 113 121 121 121 121 121 121	Helding S. Edderen EIJ 7HF Depth 3220 mgs   Ball V. Parallel - J. San S. H.O. 11.27 4 4 12.48 4 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	12 11 12 11 12 11 12 12 12 12 12 12 12 1	School 7-36 Hard Hard 17 402.77 Wildows County 17 40 2.77 Willows Coun	drawn (15% 15% 15% 15% 15% 15% 15% 15% 15% 15%
Gerty Inserio	17. a 162.44 62.5 part 64 to 1-6 75 [12]  Grand 17. de 27 de	17.7 37.7 4 51 501 1 501 7 501		Manday II _ 34, 52,00 53,00 54,00 6,00 6,00 6,00 6,00 6,00 6,00 6,00	200日	Grown T. S. 1987 1987 1988 1988 1988 1988 1988 1988	100 St 10
Grand Growth	6 (2.0) 40.00 (2.5.0) (d) 5.00 (b) 41.00 (d) 5.00 (d) 5.0	r Tat Mayt Led CideOly Key Fund   1071-1071   277-1071	, Numbers N2 247 NJ 234,5342	Truck Black St. 10/12/20 Special Speci	100	From Francisco Company and Communical Malon Services Company of Communical Malon Services Company (CONSTRUCT COMPANY C	
it Great	12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	States, Wills. Admiratization of the Control of the	SUASSIVA IS BIO IT IS SEA	Marie	Webs 14 19 19 19 19 19 19 19 19 19 19 19 19 19	Hart M. Randout (Ref.) 3.23 (Ref. Com- land (Ref. 2) (Ref	MAC - 15 MIN
11 Manerici St. Lendon ECIN 2.18 077, 170 Maryan (Anzum Mello) F. Fer Economic Schwidt Lendon ECIN 2.02 600 0 10 10 10 10 10 10 10 10 10 10 10 10	1.0 190.3 100.3 100.0 100	17.75 00.07 10.00 10.00 17.00 1 10.00 10.0	Sensor Landon (C) Administra-425 Ministra- 500035 Administra-425 Ministra- 10 Administra- 10 Administra-425 Ministra- 10 Administra- 10 Admin	20, 100 100 100 100 100 100 100 100 100 1		17 (0.27 to 22 (0.21 - 5) Long Series U. 17 (0.27 to 12 (0.21 - 5) Long Series U. 17 (0.27 to 12 (0.27	To Court Test Man Co Line (1200)
Top make the Control of the Control	7. 0 12.00 12.00 12.00 (1.04 ) 7 mb Aust Die - 0 13.75 13.70 (1.04 ) (1.07 ) 12.00 (1	5 12 11 12 10 10 10 10 10 10 10 10 10 10 10 10 10		ical Investments List (1188) F 100 and	10 10 10 10 10 10 10 10 10 10 10 10 10 1	10 10 10 10 10 10 10 10 10 10 10 10 10 1	
Series State	10.00 C.00 cl.00 cl.00 cm feet to the control of th	1 07 00 11 57 00 00 11 11 10 10 10 10 10 10 10 10 10		GUIDE TO UNIT TRUE		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Green Delphin Unit Tix Nigra Lin (7905); PT Tour F	Pouts Block List (1200)	TO SE SOME SOME SOME SOME SOME SOME SOME		Clinic Colonings  The resident for medicality, observables and other mate with  the resident for the price often dispute the continuer for the  Price regard.  If you are dispute the price of the price of the  Original Coloning of the price	nich frank to be publi by ture purplemys. Yhden   Japan S Japan S Hintory C width main may be seld,   Smither Smithe	5 92.0 45 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Brown in Lib to 3 1 194 a 194	THE SAME WAS SAME OF THE PARTY	egers Life (1.200)H Ground Colors Col			of the a formula half disea by the general count.  Jackson of the state of the stat		17 16 17 18 18 18 18 18 18 18 18 18 18 18 18 18
	107 61 42 17 11 Final (no.)	\$4, \$6.71 \$6.71 \$2.74 \$1.77 \$6.77 \$6.75 \$1		Pairly nor makes health "The Samugar" analy is the Samugar's makes are as following \$\tilde{\text{0}} - 00000, or \$1.000\$ because \$\tilde{\text{0}}\$ to graded also makes are as following \$\tilde{\text{0}} - 00000, or \$1.000\$ because \$\tilde{\text{0}} - 1.2000, to \$1.000\$ \$\tilde{\text{0}}\$ pairs.  **Tolking \$\tilde{\text{0}}\$ and \$\	which the set to pair daily desire prices are the first tests of the set of t	To the state of th	20 0 27 0 20 0 10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
· 마루에 기업은 연구 보관(설문 1996) 나는 나는	## 120.00 20.00 22.31-0.30 5.6 Fe fam & Str	1 100 7 100 10 10 10 10 10 10 10 10 10 10 10 10		And the second section of the second section is a second section of the section of the second section of the section of the second section of the section of the second section of the section		by Onit Triple Ltd (LARCOY 188 See 0 a Account 188 See 0 a Account 188 See 188	
Bell Marrier   1724 7724 7734 7711 2	File UT Mars Line (1900)F Charles Size Charl	A CT OF AN ANTA Marin William	15 100 100 1152-0104	** Viter ** derman links prime bay may at a formant planty on the manur of the partness or mile being derived on. The prime and the debt were Carried and yestering. ** MOBILE PARTNESS AND SERVICES (SEPORT) ** MOBILE PARTNESS AND SERVICES (SEPORT) ** MOBILE PARTNESS COMMISSION by Basic supposes of the PT Book	Personal III Che constitution place that parties at American (Accessed American Amer	1	
						TO ASSESS TO ASS	

FINANCIAL TIMES TUESDAY SEPTEMBER 25 1990 Current Unit Trust Prices are available on FT Cityline. To obtain your fit.
 Unit Trust Code Booldet ring the FT Cityline help deak on 071-925-212 MANAGED FUNDS SERVICE eck Horse Life Ass. Co Ltd. INSURANCES Selected Cops. 1425
Bid Prices Cally, Office prices
where applicable approx 5% his
pary Life Assurance Co Ltd.
William Sc. London ECAR 9AS
90.91 Midland Life Limited Horaich Hos. Commercial Re LLÇBI <u>6845117</u>44581 | 64461 PLC क्ष्मिक्ष क्षार् • 

La grade de la respect

39

og sts an do ul-ly, sts ral ge rts od

to til-ta-ng nd en us-be-ur-ler ite th-air tot

ot-cle se, cts :k-ter-ng he of md

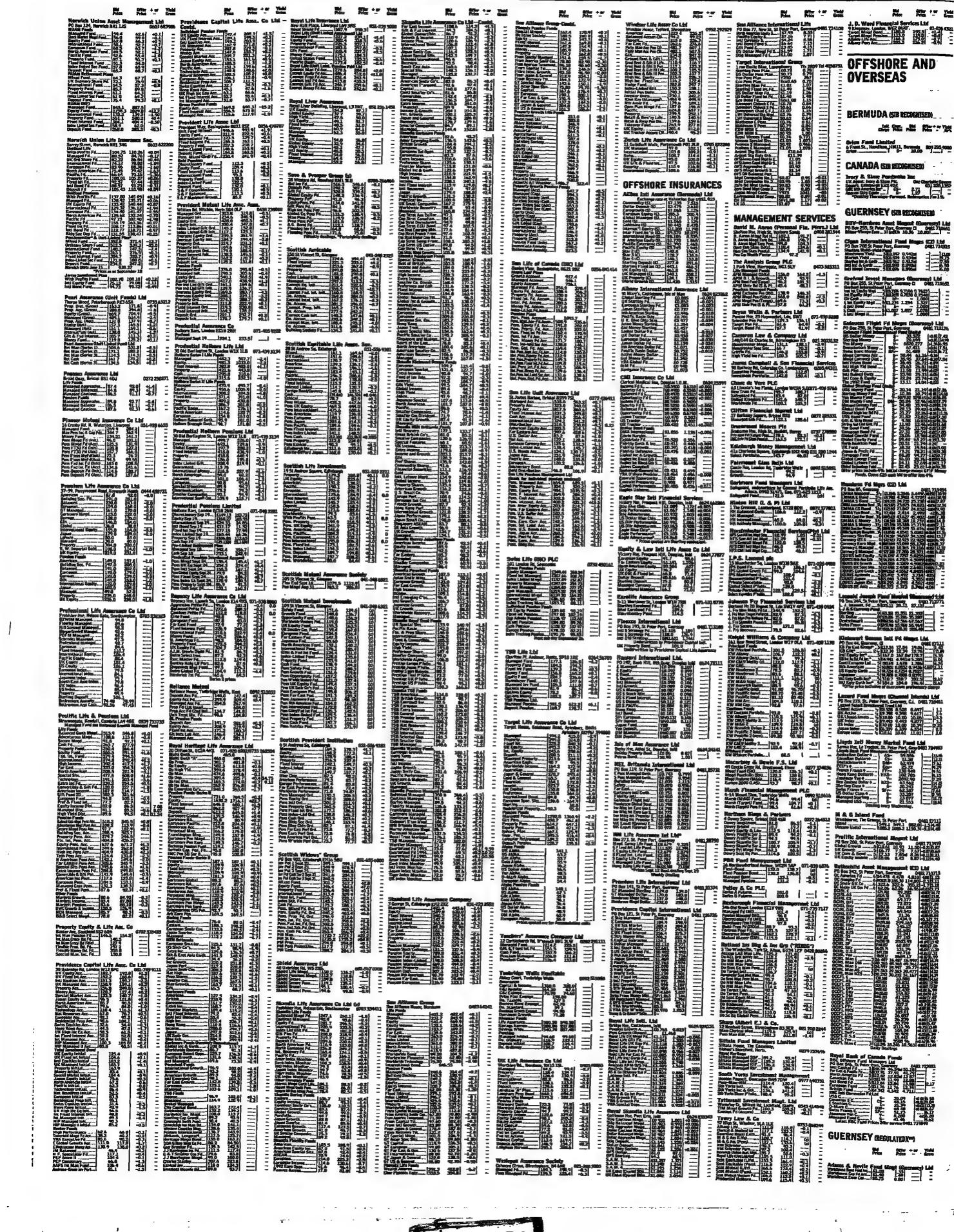
æ

ise om :he ch dd, als ber to 2m

re-sin ces cer of he sit-ed,

FT MANAGED FUNDS SERVICE

Current Unit Trust Prices are available on FT Cityline. To obtain your tree Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128



om ;he ch dd, ala ber to 2m its

the time.

- 14-14

Olly

17.15.1.122 2 0 244

THE Trust Funds (CD)

00 Set 338, St Holiz, 1975

100 Set 338, St Holiz, 1 JERSEY (REGULATEDAY) State Stitut + ar Yield Prior Prior - State | Description | DMC71 329 | 40 004 | With Description | DMC71 329 | 40 004 | With Description | DMC71 329 | 40 004 | With Description | DMC71 329 | 40 004 | With Description | DMC71 329 | 40 005 | Exerciption | DMC71 329 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | 40 005 | DM27.329 40.004 Y2760.822 40.565 £10.605 40.004 \$16.964 40.003 \$36.443 40.062 Refuge (Neurona (1200)

Refuge (Neurona (1200)

4th Floor, Victory Re. (1200)

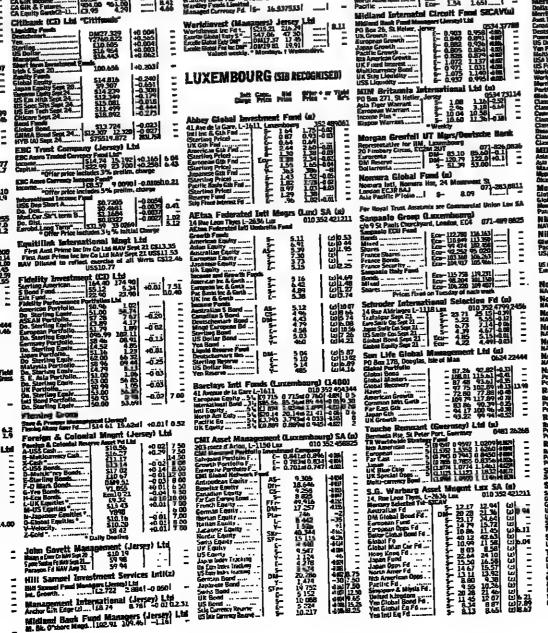
4th Floor, Vic Figure File May 2007

Hill Samuel Find Handgar Liese) Little

Mill Samuel Find Handgar Liese) Little

1 (2.722 2.884) -0.050

Refuge Oversess | 188.65 94.52| 40.05|





#### CURRENCIES, MONEY AND CAPITAL MARKETS

LIFFE LINE GILT FUTURES OPTIONS ESC,000 648s of 100%

0-22 0-34 0-50 1-08 1-40 2-16 2-60 3-78

FINANCIAL FUTURES AND OPTIONS

0-44 0-60 1-17 1-41 2-07 2-40 3-14

Estimated volume total, Calls 270 Pats 0 Previous day's open let. Calls 2303 Pats 1969

High 87-20 87-01 86-28 86-11 86-01

U.S. TREASURY BOMOS (CBT) 8% \$180,880 32mis of 180%

PHILADELPHIA SE C/S OPTIONS (31,250 leads our \$1)

CAC-49 PUTWICS CHATTER Steel Inch

(III) ICASI

1-11 1-34 1-61 2-28 3-00 3-40 5-03

87-21 87-69 88-29 88-19 88-09 88-00 88-05 88-05 88-05 88-05

93.07 93.07 92.95 92.95 92.98

105

LIFFE BOND FUTURES OPTO

Estimated volume total, Calls 3444 Pats 7605 Previous day's open lot. Calls 36168 Pats 52153

1.84 1.62 1.40 1.19 1.01 0.68 9.55

Estimated volume total, Calis 2234 Pets 1439 Previous day's eget Int. Calis 54908 Pets 37232

DEUTSCHE MARK (INCH DM125.000 \$ per JMI

0.45 0.58 0.76 0.97 1.23 1.88 2.27

Dec 0.04 0.07 0.14 0.24 0.36 0.53 0.72 0.72

0.7368 0.7364 0.7363 0.7322 0.7363 0.7375 0.7359 0.731

91.76 91.81 91.66 91.26 91.26 91.26 91.26 91.26 91.26 91.26

78gh Low Pres. 313,06 312,00 314,60 315,50 315,00 317,30 315,50 315,00 317,30

扭

26,107

Door let

91.83 91.72 91.73 91.73 91.73 91.73 91.73 91.73 91.73 91.73

#### FOREIGN EXCHANGES

#### Sterling rallies on trade data

STERLING staged a strong rally yesterday after better-than-expected UK August trade figures. The US dollar weakened on the belief that the Group of Seven nations would

tolerate a lower US unit.
Sterling had already begun the European trading day strongly, with its Bank of England trade weighted index up 0.2 point at 92.8. Remarks by Mr John Major, the Chancellor, that there would be no early cut in interest rates had attracted investor interest parent. attracted investor interest, par-ticularly from the Far East.

Along with speculative buying, there were also signs of interest from Far Eastern investment institutions. Some market participants also believed the Bank of England had been a modest buyer of

Against this more bullish background the release of the August trade figures sent the pound sharply higher. The August deficit narrowed to in July, as exports rose 4.7 per cent and imports fell 1.7. The pound was given a fur-ther lift after Mr Robin Leigh-

Pemberton, governor of the Bank of England, took the unusual step of commenting on market movements by say-ing he was "very pleased" with

Sept.24	Sept_24 Latest Previous Class					
Spot I mostle 3 mostles	2.94-2	98pm 91pm	_	130-1.8440 .99-0.98pm .91-2.89pm .00-9.90pm		
)2 mooths Forward premise	9.68-9.	-	_	,00-9.90pm the US dolla		
STE	RLIN	g in	ID	EX		
	_	Sent	34	Previous		
			•			
9.30 am		92 92		93.1 93.0		
		8888		93.1 93.0 93.0 92.6		
		893955		93.0 93.0 93.0 93.0 93.0 93.0 93.0 93.0		

COMME		war ( S
Supt.24	Back of England intex	Morgan Guaranty Changes %
Sterflery U.S. Dollar Canadian Dellar Austrian Schilling Belgian Franc Darish Krone Delsche Hard Siess Franc Gailder French Pranc Line Vite		
Horgan Garanty 1982-100, Back of 1985-100, "Nates a	charges: a England Index for Sep. 21	Gapt Arms
CURRED	ICY RA	TES

CUR		CY RA	125
Sep 24	18.	Seating Uranting Highes	Enropeas † Correcty Unit
Startion U.S. Dollar	- 7 22 - 120	0.700158 1.31766 1.51766 1.4.4906 42.3762 7.8934 2.06020 1.540.23 1.540.23 1.540.23 1.74.765 1.74.765 1.75.765 1.75.766 1.75.766 1.75.766	0.7531.77 1.38675 1.59676 15.4068 45.0451 8.34624 2.19037 2.19037 7.33315 1629 98 190.539 8.46611 136.969 8.03206 1.83744
European Com			

† European Commission Calculations.  * All SDR value are for Sq.21  OTHER CURRENCIES						
Sep 24	H CUMME	TCIES 5				
Argestica Australia Brazii Finiani Grece	10860.6 - 10957.4 2.7570 - 2.2590 281.905 - 83.7080 6.9755 - 6.9985 281.00 - 283.90	1,2010 - 1,2020 70,200 - 70,700				
Hoog Kong Iran Korea Stid Korea R	14 5695 - 14 5830 123 70° 1308 45 - 1329 55 144 60 35 - 60 45	7.7610 - 7.7630 66.20°				
Malaysia Mexico N.Zealand Sandi Ar	5.0615 - 5.0740 5438.65 - 5443.45 3.0180 - 3.0230 6.9475 - 6.9795	2.6975 - 2.6995 2896.00 - 2900.00 1.6065 - 1.6090 3.7495 - 3.7505				
SAGETON SAGETON SAGETON Tahuan U.A.E	7.2425 - 7.3855 51.20 - 51.30	1.7650 - 1.7670 2.5650 - 2.5700 3.8535 - 3.9295 27.25 - 27.30 3.6700 - 3.6735				

However, as the European day wore on the pound fell back from its best levels. Concern that the trade figures may not have been as impressive as had first been thought contributed to the late easier tone; while the deficit had narrowed in August, the July figure had been revised to £1.68bn from £1.38bn.

£1.39bn. In addition, Mr Nick Parsons of Union Discount, said £230m of the £560m improvement of the deficit was accounted for by erratic items. "By it's very nature, that sort of improve-ment is clearly not sustain-

able," Mr Parons said. Analysts commented that Analysts commented that sterling had not been boosted by heavy buying. "Trade figures don't usually have this much of an impact. It's given people an excuse to start buying sterling," said Mr Ifty Islam, currency analyst at Barclays de Zoete Wedd. Mr Robin Aspinall, currency economist at Hoare Govett, added that there were still some large sterling positions overhanging the market that had been built up on hopes of early membership of the European exchange

rate mechanism. Sterling closed higher at \$1.8845 from \$1.8455; at DM2.9350 from DM2.9125; at SFr2.4425 from SFr2.4375; at Y256.25 from Y252.50; and at FFr9.8225 from FFr9.7450. Sterling's index closed at 93.4, up

ing's index closed at 93.4, 0.8 point.

The US dollar remain weak on a belief that the majindustrial nations, after the Group of Seven meeting at tweekend, will tolerate a low dollar. The sharp drop on W. Street during London tradit hours also contributed to the hours also contributed to dollar's weakness.

The dollar closed lower Y136.00 from Y136.90;
DM1.5575 from DM1.5775;

SFr1.2965 from SFr1.3215; at FFr5.2125 from FFr-5.2000

EMS E	UROPE	am cure	REMCY 1	JHIT RAT	n:S
<u> </u>	Eco Central Cates	Correscy amounts against Ecu Sept_24	% change from control rate	% change adjusted for altergence	Dhergence Healt %
an Franc à Krose an D-Mark à Franc t Guilder Pust n Lira sh Peseta	42 1679 7.79345 2.94446 6.85684 2.36398 0.763159 1524.70 132.889	42.3702 7.85934 2.06025 6.87743 2.32229 0.767369 1540.24 129.225	+0.48 +0.77 +0.59 +0.88 +0.69 +0.69 -2.76	+0.18 +0.41 +0.47 +0.29 +0.28 +0.28 +0.39 -2.76	±1.5508 ±1.6453 ±1.1762 ±1.3618 ±1.5272 ±1.6689 ±1.5162 £4.2705

Spinst rec	132	127.22	-4/0	1 -	270 64.	2/45
Changes are	for Ecu, therefore po	oltine change denotes	A WALL COTTON		_	
William I	calculated by Flourist	p ( #462),				
			-	_		
POU	ND SPOT	- FORWAI	ED AGAIN	ter :	THE POU	MD
Sep 24	Day's	Close	the month	PAR.	Three	*
			-	_		p.e.
US Carada	1.8460 - 1.8850 2.1380 - 2.1695	1.8840 - 1.8850 2.1650 - 2.1660	0.99-0.97cpm 6.40-0.32cpm	6.24 1.99	2.96-2.93pm 1.22-1.09pm	號
Hetterlands.	3.29 - 3.31%	3.294 - 3,304	13-15 com	6.36	54-43 pm	176
Belgium Demourk	60.00 - 60.65 11.24 - 11.25	60.35 - 60.45 11.24 - 11.25	31-28cpm 4-35cortum	52%	90-82pm 11 %-10 % pm	3.7
reland	1.0885 - 1.0975	10925 - 10935	0.45-0.40mm	4.66	1.10-1.00am	335 336 645
W. Gernstey Portugal	292 - 2944 258.75 - 261.75	2934 - 2934 260.30 - 261.30	37-7cpm	6.36 5.86 4.07 4.66 6.39 1.01 0.23 4.37	41 <sub>2</sub> 43 <sub>2</sub> pm 1-60cds	6.05
Spain Spain Staly	182 15 - 184.70	183.40 - 183.70	7-carcina	協	4-6cds	-0.47 -0.11
	21774 - 21994 11.304 - 11.424	21941 - 21954 11.394 - 11.404	7-parcpar 9-7cpm	4.37	21-19 <sub>00</sub>	244
France	9.78	9.811 9.821	34-34-cm 4-34-cm	器	114-104-20	34
Sweden	10.7212 - 10.831	10.804 - 10.814	2-14 preprin	1 2.00 i	412-4011	1.57
Japan	2527 - 264 20.55 - 20.73	255 - 2564 20.61 - 20.64	114-104 groups	6.47	41 <sub>4</sub> -37 <sub>3</sub> 011	
Switzerland .	2434 - 2454	2444	12-14400	6.76	44-3400	A 45
EC1)	1.4155 - 1.4195	1.4155 - 1.4165	0.58-0.55cm	4.79	1.60 L. Topa	4.45
Commercial r 9.67-9.57cp	nin takat teranis ti	e and of Langua trad	ag, Six-month fore	eri delle	: 3.52-5.47cpm . 1	2 Month
						•
DOLL	AR SPOT	- FORWAR	DAGAIN	<b>ST</b> 1	INE DOL	AB
			THE PERSON NAMED IN		THE HUM	

1765   1755   1769   1765			1.4155 - 1.4165				
DOLLAR SPOT - FORWARD AGAINST THE DOLLAR   Sp. 24   Day's great   Com   Gas month   %   Three month   %   Sp. 24   Day's great   Com   Gas month   %   Three month   %   Sp. 24   Day's great   Sp. 25   17/15   17/25   17/25   0.34 0.29 pm   2.29   1.18-1.08 pm   3.20   32.40   22.00   32.10   1.18-1.08 pm   32.00   32.40   22.00   32.10   1.18-1.08 pm   33.00   32.00   32.40   22.00   32.10   1.29 pm   32.00   32.40   22.00   32.00   32.40   22.00   32.00	60 (10 (10 (10 (10 (10 (10 (10 (10 (10 (1	rates takan terminin t	er and of Landon trac	lag, Sin-month fore	rerd doll	14-547cm.	2 1800
Sep 24							
1.946   1.959   1.859   1.859   1.949.17ppm   4.24   2.92pm   4.34   2.92pm	DOLL	AR SPOT	- FORWAI	RD AGAIN	IST	THE DOL	LAR
1765   1755   1760   1755   1760   1755	Sep 24		Clean	Our month	% [4		% p.a.
FURO-CURRENCY INTEREST DATES	elandy macks macks etherizatis	1705 1735 1765 1755 1765 1766 200 2240 1555 1570 1767 269 1767 1754 177 576 177 576 17	1795 - 1726 1500 - 1750 1752 - 1753 1700 - 1750 1576 - 1,580 1760 - 1750 1760 - 1750 1760 - 1750 1760 - 1750 1760 - 1750 1760 - 1,750 1760 - 1,750	0.34-0.29gim 0.39-0.45dik 0.61µm-0.02dik par-3dik 1.90-1.20credk 0.01µm-0.01pin 49-53dik 1.90-2.00credk 1.90-2.00credk 1.95-2.20credk par-0.2pin 0.66-0.61pin 0.66-0.61pin 0.66-0.61pin 0.66-0.61pin 0.66-0.61pin 0.66-0.61pin	시청하는 수수수수수 등록되었다.	1.18-1.06664 1.18-1.2965 0.00-0.1045 1.25-3.9565 0.02-0.0505 2.50-2.9566 0.00-0.9566 1.50-1.9566 0.00-0.0566 0.00-0.0566 0.00-0.0566 0.00-0.0566 0.00-0.0566 0.00-0.0566	
		FURO-C	IRRENCY	MIERES	TR	ATES	

Sup i	м	Short	7	Deps otion	One Month	L	Three Hentin	Str Month	_	Case Yater
arling		144 - 14 84 - 71 84 - 77 84 - 77 84 - 91 87 87 87 87 87 87 87 87 87 87 87 87 87	25 AV. 35.7	**************************************	Topical a	550	55.00 FE	2012 2 2 2 1 1 1 2 2 2 2 1 1 1 2 2 2 2 2		4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
en ). Krong stan SSing.		97 - 87 702 - 70	7 705	10.2	81 - 80 108 - 16 81 - 80 for US O	함	100	## : #	44.	
A A SHOW	-	HER. SHOT								
					CRC		ATE	S		
SpL24	\$						H FL	Lina	C\$	8 F
		Đ	CHA	NGE	CRC	)\$\$ I			C \$ 2.165	_
Sec.21	-	ED(	CHA	NGE	CRC	SS 1	H FL	Lina 2184	2 166	8 F
Sept.24	£	\$ 1,054	CHA	<b>NGE</b> ¥≡ 254.2 136.0	FR. 9822 5.233	\$ Fr. 2441 1296	H FL 3,302 1,753	Lina 2195 1165 747.9	2.165 1.149	8 F 60.4 32.6
Sept.24	1 0.501 0.901 3.903	\$ 1.884 1.864 2.642 7.354	DNI 2,975 1,958 1,46 2,988	Yes 256.2 136.0 57.29 1000.	P.R. 9.822 5.223 3.347 33.34	\$ Fr. 1442 1.2% 0.832 9.532	H FL 3 302 1 753 1 125 1259	Lina 2195 1185 747.9 8568 2235	2.165 1.149 0.738 8.450	8 F 60 / 32 / 20 / 236

i at Ster- up	9050 9075 9100 9125 9150	0.79 0.56 0.36 0.18	May 0.70 0.52 0.36 0.24	0.03 0.05 0.10 0.17	MAR 0.10 0.17 0.25 0.39
ned ajor	9150 9175 9200 9225	0.08 0.54 0.02 0.01	0.14 0.08 0.04 0.02	0.32 0.53 0.76 1.00	0.54 0.73 0.94 1.17
beir the	Estintata Previous	day's open be	ial, Calls 6 L Calls 124	0 Pats 66 111 Pats 16	0 624
wer Vall ling	1 .	ON (LIF			
the		32min of 15 Close	High	Lou	Prov
at at at and	Sep Dec Mar	Clast 82-07 82-22 83-11 of volume 14	83-02	82-18	Pre- 82-14 82-31 83-19
alax	Previous	day's open h USBRY BOOK	nt. 27355	29810)	
-	2200,00	0 32mb; of 1	36%	Low	Pres
	Dec Mar Jus	Clest 87-07 85-21 d volume 36	High 87-25	67-CI	Pro. 88-05 87-25
6	ricingo	day's open is	E. 6099 tt		
83242P2	100258,8	Cince	700%	Low	Pres.
25	Dec Mar Jen Decimando	80.38	High 80.82 80.53	80.43 80.43	80.84 80.84
_		d volume 324 day's open la			
<u>-</u>	MANN AST	AND TRAINE	TERM JAI of 100% High	AMERIC G	eri.
號	Dec 10er Setimane	87.40 87.45	87.65	87.40	Pres. 87.70 87.70
<b>第</b>		tolene 102 ky's open isi ONTH STEM		-	
360 6.05 0.47 0.11 164 344	.5500,000	points of 16	16%	Law	Prov.
ij,	Dec Jam	85.64 85.54	High 85.72 85.41 87.35	85.65 86.54 87.36	Pres. 85.71 86.62 87.35 87.81
	Dec Mar	87.94 17.14	的主 的不 的用 87.94	87.94 87.94	07.99
4.5	55 56 56	7.0	87.94 97.95 97.97 87.88 87.88	67.粮 87.37 17.00 67.98	87.95 87.95 87.95 87.95
·	3.00 Sep	87.86 87.90 87.90 87.90	87.88 87.88	57.00 57.00 57.00	87.93 87.93
IR.	BL WL	iber, Figs, per ley's open bel	sional 2	1450 GAL	21)
	Transport	ny's open lat	146512	1469963	
123				1.46996)	
123	THREE IN	ours extension of 100%,	MLAR Major	- les	Pres. 91.622 61.98
120 120 120 120 120 120 120 120 120 120	THREE IN	of 189%	duar Mar	- les	Pro. 91.95
120 120 120 120 120 120 120 120 120 120	THREE IN	ours extension of 100%,	MLAR Major		Pm, 11.02 11.05 11
120 120 120 120 120 120 120 120 120 120	THREE IN SIA past line San San Date Line San	Come 91.79 91.69 91.49 91.16 91.06 90.99	High 91.63 91.95 91.74 91.74 91.28	91.76 91.76 91.49 91.40 91.40	Pm. 91.95 91.82 91.34 91.32 91.13
123	THESE IN SIZE paint Size paint Size Size Size Size Size Size Size Size	100 Close 91.79 91.89 91.49 91.49 91.49 91.40 91.47 91.82 91.66 91.66 91.99 inc. 6gs. not inc.	High 91.63 91.53 91.74 91.73 91.74 91.75 91.76	91.76 91.76 91.49 91.40 91.40	Pm. 91.95 91.82 91.34 91.32 91.13
120 120 120 120 120 120 120 120 120 120	THREE IN SIM patel Sim patel Dec him Sup Dec him Sup Dec him Sup Sup Sup Sup	Come 91.79 91.69 91.69 91.06 91.06 91.06 91.06 91.06 91.06 91.06 91.06 91.06 91.06 91.06 91.06 91.06	10gh 91.63 91.74 91.74 91.53 91.74 91.53 91.74	11.76 11.76 11.60 11.60 11.60 11.60 11.70 11.70 11.70	Pm. 91.95 91.82 91.34 91.32 91.13
120 120 120 120 120 120 120 120 120 120	THESE IN SIZE paint Size paint Size Size Size Size Size Size Size Size	Close 91.79 91.64	10gh 91.63 91.74 91.74 91.53 91.74 91.53 91.74	11.76 11.76 11.60 11.60 11.60 11.60 11.70 11.70 11.70	
120 120 120 120 120 120 120 120 120 120	THESE IN SIZE paint Size paint Size Size Size Size Size Size Size Size	Class 91.79 21.22 91.49 91.79 91.22 91.49 91.06 90.99 int. Gg, not of the officer	High 91.83 91.83 91.74 91.74 91.75 91.28 91.28	1276 11.76 11.76 11.50 11.30 11.30 11.30	
	Triffice in Silve points  Dec Silve points  Jan	Come 91.76	Miles 91.83 91.74 91.75 91.75 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76	91.76 91.76 91.76 91.50 91.50 91.50 91.50 91.50 91.50 91.50 91.50 91.50	
	Triffice in Silve points  Dec Silve points  Jan	Come 91.79 91.89 91.79 9	Miles 91.83 91.74 91.75 91.75 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76 91.76	91.76 91.76 91.76 91.50 91.50 91.50 91.50 91.50 91.50 91.50 91.50 91.50	
	Triffice in Silve points  Dec Silve points  Jan	Caper 1999,	High 19.28 19.26 19.274 19.25 19.26 19.274 19.25 19.26	91.76 91.76 91.76 91.50 91.50 91.50 91.50 91.50 91.50 91.50 91.50 91.50	
1 2889 1189 1289 1289 1289 1289 1289 128	THERE IS SAME AND THE SAME AND	Cape 91.79 91.89 91.79 91.74 91.85 91.06 90.99 int. Aga, not of 1007 91.90 int. Aga, not of 1007 91.90	High 19.28 19.26 19.274 19.25 19.26 19.274 19.25 19.26	1.00 11.76 11.76 11.50 1	
	Tribles in Sim point Due him Sup Due Alam Sup	Class 91.79 91.69 91.79 91.69 91.79 91.69 91.79 91.66 91.79 91.66 91.79 91.66 91.79 91.66 91.96	High 19.23 19.24 19.25	1.76 11.76 11.76 11.50 1	
1 2889 1189 1289 1289 1289 1289 1289 128	THESE IN SAME PARTY OF THE PART	Cope 91.74 (1975) in 1871 (1975) in	High 19.23 19.24 19.25	1.76 11.76 11.76 11.50 1	
	THERE IS SAID points of the Sain point of the Sain point of the Sain Sain Sain Sain Sain Sain Sain Sain	Constitution of 189%,	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	1.76 91.76 91.76 91.96 91.96 91.29 91.26 91.26 91.26 91.26 91.26 91.26 91.26	
	THERE IS San point of the San point of the San point of the San	Constitution of 189%,	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	1.76 11.76 11.76 11.50 1	
	THERE IS San patet San patet San patet San patet San patet San	Claim 91.04   91.79   91.74	High 191.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.54 91.55 91.55	1.00 91.76 91.76 91.76 91.40 91.24 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26	
1 2889 1189 1289 1289 1289 1289 1289 128	THERE IS SAID point SAID point SAID SAID SAID SAID SAID SAID SAID SAID	Class 1197.0 117.0	#1.63 41.14 (1) 1.63	1.00 91.76 91.76 91.76 91.40 91.24 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26 91.26	
2009 100 100 100 100 100 100 100 100 100	THERE IS SAID point SAID point SAID SAID SAID SAID SAID SAID SAID SAID	Clare 91.74 91.75 91.76	#1.63 41.14 (1) 1.63	1.00 91.76 91.76 91.76 91.50 9	
	THERE IS San point San point San point San point San point San point San	Comp. 11.70 19.00	High 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.74 91.53 91.54 91.55 91.57 9	1.00 91.76 91.76 91.76 91.76 91.26 9	Pro- 19 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1

48 - 141   142 - 144   144 - 141   145 - 145   145   145 - 145   145 - 145   145 - 145   145 - 145   145 - 145   1	Sep 90.90 Estimated splane 5954 (7923) Produce day's open let, 50735 (50203)	92.01. Recorder 1939 Decreber Bilinated volume 14,279 To
PATES	Extension volume 72 (159) Previous day's open Int., 1123 (1109)	From ASM Bank
	FT-SE 140 BIDEX CIS per tull lader yallal	Bank of Baroda
. H.FL Lina CS B.Fr	Sep 1977.0 2015.0 1973.0 2 0= 2017.0 2057.0 2014.0 3	Prior Bank Crofft & Comm
3 3302 2195 2.165 60.40 1 1753 1165 1149 32.06	Mar 2055.0 2007.0 2014.0 2	070.0 Bank of Indian
2 1.125 747.9 0.738 20.58 2 12.99 8568 8.450 230.8	Etilmated whome 12103 (1989) Province day's open inc. 31174 (31446)	Bank of ScotLast Bangue Belge Ltd Banglass Bank
3.362 2235 2.204 61.49 1.352 898.9 0.867 24.73	MUHO-\$ CONSIGN EXCHANGE	Berchmark Bank
1 1504 664.7 0.656 18.29 1.504 1000. 0.466 27.52	Spot 1-mth 2-mth 6-mth 13 1-8845 1-8747 1-8551 1-82% 1	O Brown Shipley  CL Bank Nederland  Chartertonne Bank
1 1.525 1014 1 27.90 5.467 3634 3.594 108.	MINI-STEELING Se per S	Citibant NA
10.	Dec 1.8476 1.8588 1.8470 13 Mar 1.8200 1.8294 1.8200 1	Prev. 61.60 Cydesdale Bank
FT LONDON INT		Quality
0 a.m. Sep.20 3 prontis US dollars	6 months US Deltars	Send this
d 8 <sub>d</sub> offer 8 <sub>d</sub>	bild 814, offer 814	advertisement [
ales are the arithmetic means rounded to the o	most one-sixtensite, of the bid and offered sites for \$	attached .

de Open Interest, 13,657 BASE LENDING RATES Contis & Co Cypres Popular Bit Dunkar Bank PLC Northern Bank Ltd ... Norteen Sank Com-llydredik Hortgage Bank Provincial Bank PLC... Royal Bik of Scotland Royal Trust Bank Lad... © Sankt & Willings Sass. ... Duncas Laurie Espectorial Bank plt Enter Trest Ltd

Enter Trest Ltd

Finantial & Ges. Bank

Fins Rational Back Pit.

Robert Fieming & Co.

Robert Freser & Pinrs.

Girobank United Bit of Komp C. Hoare & Co. \_ ders of British Merchant Whenger or British Merchang Banking & Securities Houses Association. \* Deposit over 5.9% Saverice 8.5%. Top Tier-£50,0006 histant assess 12.7% & Mortgage hase rate. § Deward deposit 9%. Mortgage 15.2% - 15.95%

# **PROMOTIONAL GIFTS** 6 Key Rings 6 Cuff Links Paperweights Enamel Badges +- Manhattan-Windsor - WY

STEWARD STREET, BIRMINGHAM, B18 7AF, England Fax: 021-454 1497. tors to H.M. Gov

#### PERSONAL

#### PUBLIC SPEAKING

Overcome the fear and nervousness of public speaking. Phone Leadership Skills Training. Tel: 0727 821399

> To Advertise PROPERTY TO RENT

Furnished lettings Company and Embassy Lets Long and Short Term All appear in the FT every **Monday and Saturday** Further details from Richard Walling TELEPHONE 071-673 3307 FAX 071-873 3064

#### MONEY MARKET FUNDS

**Money Market Trust Funds Money Market** Bank Accounts W. 0753 514 11.782 19.750 14.921 Tynetali & Co Ltd. 29-33 Princes Victoria ns Back Plo Spects, Edition Bill 200 off Sector 1500 11.11 Year

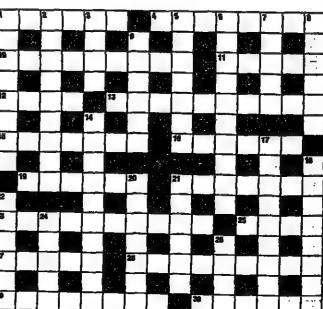
田城 经制 田型 職

**JOTTER PAD** 

132 12 137

#### **CROSSWORD**

No.7,349 Set by DANTE



**ACROSS** 1 To tease a poor lad is ill mannered (6)

4 False profe 10 They spend their time together (4-5)

together (4-5)

11 Pompous colonel is an old gasbag (5)

12 It may hold the garden spray (4)

13 Parties of runners? (10)

15 The personification of cunning (7)

16 Ancient Greeks were riddled by it (6)

by it (8) 19 Dormant fish turned into a stake (6) This turns out to sum up

21 Panama, for example (7) 23 Cowardly sallor gets fever (6,4) 25 Juliet's town is just not on

for her (4)

27 Wines for import and export

28 Timber which may be put to striking use? (9)
29 To cares in a most lascivious way (8) Listener following close win

1 Hope for the lost and sick (8) 2 Sweets that score highly? (54) 3 Fabric that's stiff or limp (4) 5 Object's to Ernest's replace-

DOWN

ment (7)
6 Set meal and free bed at hotel (5,5)
7 They are driven to join things (5) 8 Reveal an outdated attitude

9 Wait for a race to finish (6) 14 Runners — so research

reveals (10)
17 On board the first lieuten-ant may be most important 18 One naturally separated from the rest of humanity

(8)
20 They took over from the night shift (7)
21 Egg – how nice it may be scrambled (6)
22 Limited in one's outlook (6)
24 Grub is right at the centre of a burning issue (5)

of a burning issue (5) 26 Whisky drinkers may say it is just a question of time (4)

The solution to last Saturday's prize puzzle will be published with names of winners on Saturday October 6.

**MONEY MARKETS** 

# Steady UK rates

steady yesterday after Mr John Major, the Chancellor, said he did not intend to make an early cut in interest rates. Yields were firm despite the strength of sterling and the Bank of England's relatively generous attitude towards the money market.

"It really has sunk in that although it looks as if we're heading for a recession, there is not going to be any early cut in rates," one money dealer

The key three-month

UK clearing bank have leading rate 15 per cent from October 5, 1989

interbank rate was unchanged at 1411-14% per cent. One month money was 1 easier at 1411 per cent, while one year was unchanged at 1414. The futures market was also easier, despite the strength of sterling. December short sterling was

down 5 points at 85.66.

The Bank of England bought a total of £855m of bills compared with the final £950m estimate of the money market's shortage. During the morning the Bank purchased £125m of bank bills, of which £21m were in band 1 at 14% per cent and £104m were in band 2 at 14% per cent. Before lunch it bought another £169m

UK MONEY market rates were of bank bills at unchanged steady yesterday after Mr John rates. This included in band 1 £114m and in band 2 £55m. In the afternoon there were n the americon there were purchases of £441m at unchanged rates, including in band 1, £46m of Treasury bills and £219m of bank bills. In band 2 the Bank bought £176m. Finally, late assistance of £130m was margined.

Yen per 1,000: French Fr. per 10: Lira per 1,000: Beigian Fr. per 100.

£130m was provided.

Among factors contributing Among factors contributing to the shortage were bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills, which drained £1.31bn. Exchequer transactions absorbed a further £50m, while bankers' balances were £100m below target. But this was partly offset by a £545m fall in the note circulation.

the note circulation.

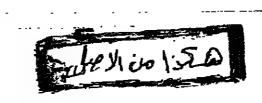
In Frankfurt call money rates edged higher as heavy tax payments caused a drain in liquidity. Call money was quoted at 8.00-8.05 per cent. The German money market was quiet as dealers waited for this week's tender for securities repurchase funds. Money dealers said they expected the Bundesbank to add extra liquidity.

In New York the Federal Reserve added liquidity with overnight system repurchase

overnight system repurchase agreements. Federal funds were trading at 8% per cent at the time of the operation, compared with 8% on Friday and the Fed's perceived target of 8.

NEW YORK (Limchtlime) Protes from rate	g			ES		
Prime sate	0		Treasury	Biffs and i	Bonds	
roker hom rate	Т.	we mosth		7.53 Three 7.75 Foor)	)	8.37
iroker kom rake	. 10 T	wer month		7 <i>6</i> 2 FI==		R45
		ix meeth		7.75 Seren	year	
ed. Figures at Intervention.		90 YEAR		7.82 10-76 8.19 30-76	*	9.19
Sept.24	Overnight.	Core Morth	Two Months	Three Months	Stx Morths	Lowbard
radifet	7.95-8.05	810-825	8.20-8.35	8.25-8.40	8,55-8,70	8.00 9.50
925	52.61	97-10 71-8	104-104	104-103 8-84	10,4-10,4	9.30
nsterdan	95-91 57-64 8.00-8.12 79-79 94-104	224834	~	2 43 8 53	-	•
okya	72-77	91, 101	2	104-114	-	:
ruses	840 1	84-9 104-107		<b>近</b> 距		-
etile	10%-10%	104-104	10孙-11子	374-37.5	114-114	-
	LOND	ON M	ONEY	RATE	S	
Sep 24	Oversigh	7-2-	ONEY One Month	RATI	Six Months	One Year
Sep 24	Overnigh	t 7 days edice	One Month	Three Months	Six Months	Year
Sep 24	Overnigh	t 7 days	One Month	Three Months	Six Months	Year
Sep 24  sterbeak Offer	Overnigh 1519 14	t 7 days edice	One Month	Three Months	Six Months	6ne Year 143 143 145
Sep 24 sterbank Offer	Overnigh	7 days sottes 15 144 144	One Month 15 142 141 142	Norths 15 143 143	Six Months 14% 14% 14%	143 143
Sep 24 sterbesk Offer sterbesk Bid sterling COs call Authority Deps. call Authority Boods leasuret Bitt Deps.	Overnigh	7 days sottice 15 14% 14%	One Month 15 142 141 142	Norths 15 143 143	Stx Moeths 14% 14% 14%	143 143 145 145
Sep 24 sterbenk Offer sterbenk Bid sterling CDs coal Authority Deps coal Authority Boods lamount Bikt Deps company Deposits	Overnigh	7 days notice 15 14% 14% 14%	One Month 15 143 141 142 148 148	Norths 15 143 143	Stx Months 14% 14% 14% 14% 14% 14%	143 143 145
Sep 34 starbask Offier starbask Bid sterling CDs social Authority Depo- social Milkt Depo	Overnigh	7 days notice 15 14% 14% 14%	One Month 15 142 148 144 148 148 148	Three Months  15 143 143 143 144 144 144 144	Stx Months 14% 14% 14% 14% 14% 14%	143 143 145 145
Sep 24  sterbesk Offer sterbesk Bid sterling CDs ocal Authority Books lamant Witt Deps ocal Authority Books lamant Witt Deps ordpany Deposits leance House Deposit reasury Bills (Bay) ank Bills (Bay) and Bills (Bay) and Bills (Bay) and Bills (Bay)	Overnigh	7 days notice 15 14% 14% 14%	One Month 15 142 148 144 148 148 148	Three Months  15 143 143 143 144 144 144 144	Stx Months 14% 14% 14% 14% 14% 14%	Year 14.5 14.5 14.5 14.5 14.5 14.5 14.5
Sep 34  sterbesk Offer derbask Bid sterling CDs coal Authority Books lannaut With Deps coal Authority Books lannaut With Deps company Deposits leance House Deposit reasury Bills (Boy) ank Bills (Boy) oliar CDs R Linked Dep Offer DR Linked Dep Offer	Overnigh	7 days notice 15 14% 14% 14%	One Month 15 142 141 145 145 145 145 145 15 15	Three Mostis 15 143 144 144 144 144 144 144 144	Six Months 14% 14% 14% 14% 14% 14% 14% 14%	Year 144 144 144 144 145 145
Sep 34 starbask Offier starbask Bid sterling CDs social Authority Depo- social Milkt Depo	Overnight 151g 147g 147g 155g 155g 155g 155g 155g 155g 155g 15	7 days sottice 15 14% 14%	One Month 15 142 148 144 148 148 148	Three Months  15 143 143 143 144 144 144 144	Stx Months 14% 14% 14% 14% 14% 14%	Year 14.5 14.5 14.5 14.5 14.5 14.5 14.5

(11.00 a.m. Sep.20 3 prontes US dollars



The second second

or for a

SACTIFICATION

COTTERR

ill ng stantouly, ole stal ge stad

to tiatand en
ushe
urler
tte
thair

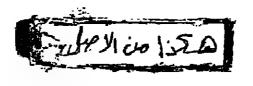
ot-cle se, cts k-ter ec-ng he of om

e

rise om the character of the character o

of oe-

in ro-re-sm of of the sit-ed, pid s.



#### **WORLD STOCK MARKETS** CANADA SWEDER Sephenber 24 AGA B Greet AIGA B Greet Aiga B Greet Assa B Greet Bricsse B Greet Eschola B Greet Eschola B Greet Sanda B Free Phomotila B Greet Sab-Scalas B Free Scalas Greet Sanda Greet Sanda Greet Sab-Scalas B Free Standa Greet Sab-Scalas B Free ### Love Close Change ### Close Change ### Close ### Close Change ### Close ### Close Change ### Close #### Close ### Close ## September 24 BMW Bare-Verein Bare-Verein Berlestorf Berliner Kraft Brillager Berliner Kraft Brillager Berliner Kraft Brillager Brillager Berliner Brillager Berliner Bark Fag Kagefflacher Gerreiseinmer Goldschmidt (THO Handworg Erist Handworg +20 -90 -11 +33 -90 +450 6.020 11.310 1.305 1.463 22,770 28,950 10,100 2,460 4,010 17,186 9,690 1,140 8,050 1,380 707 1,611 145 442 4,342 -270 -80 -1.909 -510 -60 -700 -78 -179 -176 -23 -228 755 250 1 15 90000 Sears Can 3 25371 ShaveC B 1 11973 ShaveR S 1 11973 ShaveR S 1 2578 Shav 285978 Laidhe 8 I 200 Laur 8h 49 Laur G 8 1 2765 Lauradh A 1000 Lobhar Co 259,6 MDS A 25900 MDS A 2590 TORONTO Closing prices September 21 NETHERLANDS eptember 24 # 655982 12295214 8 3 854 34268 762988 1 294 289 31.00 112.59 18.10 17.00 18.10 17.00 18.10 17.00 18.10 According to the control of the cont Fr. - 3,150 - 2,510 - 1,7,600 - 1,7, September 24 Arbid B.B.L. Liur B.B.L. Liur B.B.L. Liur Banque Ges, Da. Liur Banque Kes, Da. Liur Banque Kes, Da. Liur Banque Kes, Del. Liur Benoue Kes, Del. Liur Cohent USR Cohent DBR Cohent Liur B. AFV L. Cockertill Codwig Benoue Be September 24 Adia leti Adia leti De. Poj. Certs Abesates Lonza De. Poj. Certs Abesates Lonza De. Poj. Certs Barlos Hid Proj De. Poj. Certs De. Poj. 925 1109 1109 1109 175 11975 11975 11980 1 Gerbern Do. AFV Generale Bank Do. AFV 1 General Intercont Do. AFV 1 Redirectors Hands Innetal industrielle International industrielle International International LVMN Lafarse Coppes Matra S.A. Marite-Geria Moulinez Ravigation Miss Nord Est Houvelle Gafer OFP OFSAS Kredletbank De. AFV Pan Holdings Petroffse Raffleerie Tirte Royale Belge De. AFV 1 Son Get Belge Do. AFV Soffse Soffse Softse Tessenderio MONTREAL Closing prices September 21 1975 BombrdrA 18405 BombrdrB 1930 Cambidr 2006 Caucadea 436 Doel YAA 531 Dosohus 2020 Memoke 19302 Neiliki Cda 152230 Power Corp 167652 Provigo 400 Queberr A 11331 Queberr A 11331 Queberr B 9250 Videor B 9250 Videor B \$17 \\ \$17 \\ \$17 \\ \$14 \\ \$50 \\ \$10 \\ \$00 \\ \$10 \\ \$14 \\ \$00 \\ \$14 \\ \$10 \\ \$11 \\ \$10 \\ \$1 Suprissioner 24 Alter A Greet Alter A Greet Bergesna A Cristania Bit Frue Bernerse East; Dyso led. Elleem Greet Russiener Greet Rosse Deta A Suprissioner Greet 95.00 146.00 129.00 97.00 138.00 240.00 152.00 266.00 310.00 242.00 210.0 181.5 112.00 95.00 7 17 144497 Orsan Paribas Paris Rescompte Paris Rescompte Paris Rescompte Pendelmont Pendelmont Pendelmont Pendelmont Pendelmont Pendelmont Pendelmont Pendelmont Rescolor Rescolor Rescolor Selat Sel DEMMARK September 24 Saltica Hidgs Carisberg Danisco Spani Den Danisco Spani East Addalk FLS Inds. 8 GNI Great. Horotic Harbal Invest A LSS. 8 Systems Lyske Gank Lineritzen (J) B MKT A/S Bloom Bordish Regal Chaptes A Sophes Bernstein TopDoannank 740 1,220 830 282 193 765 680 834 392 1,180 411 300 5,230 1, INDICES Sept. 20 21 19 8ept. 11 18 HIGH 1 2571\_29 2999.75 (16/77 89.11 91.04 (J1) 901\_44 (J1) 200\_52 226\_23 (2/1) Sept. 19 DOW JONES sept. HIGH LOW 2999.75 41.22 (16)7/90 (2)7/32) 3483.42 (23/8) 88.48 (2/5) 861.31 (23/8) 190.96 (24/8) 89.26 89.11 Home Book + er -12 32 8/7/32 10 50 8/4/32) 3047.94 (24/9) 1532.01 15/9/89 236.23 (2/1/90) September 24 576.66 \$79.99 \$98.31 90L44 AECI Alled Teel Angle Are Day Angle Barlow Rand Barlow Transport. Basco Bilbao Viz Basco Central Basco Central Basco Central Basco Central Basco Dispaso Basco Mispaso Basco Mispaso Basco Mispaso Basco Mispaso Basco Portral Basco Mispaso Bodiyus Behridus Corp. Fin Alba Corp. Maprire Dragades Dro Basco Mispaso Beneral Basco Mispaso Ba 2-1705 4-3380 3-2-1620 3-3825 3-4600 3-3825 3-4600 3-3825 3-4600 3-3825 3-4600 3-3825 338.76 (04/9) 30F1 300 22 50F25 500 25 4,735 5,100 a 5,100 a 5,100 a 3,130 3,130 3,130 2,790 2,290 2,290 2,290 2,290 3,540 عناتيل 402.5 124/9 PIRE AND Jakes George 0,975 PRANCE CAC George 03/12/80 CAC 40 03/12/87 STANDARD AND POOR'S 368.95 C6/17/00 437.37 C6/17/00 35.24 (9/10/89) 301.13 C6/17/90 C10/10/890 485.73 (9/10/89) 4,40 (1,6/32) 3,62 (21,6/32) 8,64 (1,10/74) 307.06 (23/80 342.23 (23/80 21.76 (21/9) FINLAND 348.95 (16/17) 457.37 (16/17) (16/17) (16/17) 217.55 217.48 217.90 218.90 Composite ± 1804.7 1804.7 1467.51 367.30 367.62 374.05 376.71 687.08 611.08 1742.8 1754.3 1416.85 1446.57 22.00 22.99 22.77 148.88 (23/8) 315.85 (23/8) 360.22 (23/8) 4,46 25,14(42) 29.31 64,12(72) 54.87 (31,14(72) HONG KONG Hass Seng Bank (SLITISH) SEQ OWNER HALLING TEALY 2738.24 0,23 201.13 (16/7) 382.45 (6/1) 469.60 (16/7) 31A.M. 317.18 318.97 319.69 12025 1207.65 RASDAQ Compette 362.25 364.43 371.66 372.21 365 30 GT/A 763 SL 0440 542.97 592.30 73402 99 (78/9 1767-97 (20/9 3313-92 (54/9 29402.96 25726.17 1767.97 1799.72 1394.54 3444.74 JAPAN 1964 (16549) 1996 SE (Topks) 14/1/68 206 Section 14/1/69 MALAYSIA 7522775 57555 104628775 57555 3.76 4.29 3.86 3.95 year ago (approx.) 400,77 (23/8) (\$2.22 C/B) 518.50 325,18 3.24 15.47 12899194 METHERLANDS CRS TV. Ru. Geo. Cod. 1903 CRS All Ser Card 1903 NORWAY Odo SE God (2)1453 PART. 3.29 15.12 215.1 172.4 12 199 TRADING ACTIVITY NEW YORK ACTIVE STOCKS TOTAL CALL 915.13 (2/6 53.55 835,62 B40,53 664.77 Sept.21 Sept. 20 Sept. 19 (25,26 643.91 أتحصه 145,100 9,348 107,920 1,971 286 1,241 444 6 201,050 15,822 124,230 1,986 602 920 464 11 270 냺 334.25 QV# Papalos Gen Electris Exens Cause Mans Am 7 & T Phillip Mourts Boetog Gen Mictori Citicorp Wal-Mart Sto 445.87 CIS/TI **以外以及以外以外以外** | 本になるながに、「は、「は、「なななな」をなるともである。「なる」と、「なるななな」を | 1.000 1.340 1.000 1.340 1.300 1.300 750 1.300 750 1.300 750 1.300 865 1-950 1-CANADA 3453.05 (4/1) 4009.47 (3/1) 2850.80 (23/9) 3235.38 (21/9) letak & Magain alues of all Indices are 100 except HYSE All Commo Actory Props. Bank East Asta ... Catalogy Pacific Inc. Cheung Kong. Cheung Kong. Cheung Kong. Catan Hector Hang Lawn Hang Sawn Hang Sawn Hang Sawn Hang Catan HK Catan Long Torm Cred. Masels Corp Marsels Corp Marsels Corp Marsels Corp Masels Core Masels Core

1,400 896 880 2,680 1,450 1,180 1,360 745 732 1,260 1,030 1,030 1,040

AUSTRALIA September 24

+30 -17 -8 +10 -10 -10 +24 -140 +20 -30

Renewn
Receiv
Receiv
Regai Co
Regai
Santama Bank
Santama

19年最初の一世代の大学 19

1965 | 1967 | 1967 | 1967 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 1968 | 19

256 13.60 430 10.60 1.83 1.13 1.36 3.78

440 9.00 6.70 2.15 4.00 5.50 7.20 3.98 6.75 2.50 2.97 5.10

HOTES - Priess on this page are as quoted on the individual exchanges and are last traded prices. (a) unrecallable. # Desdings suspended. at Ex dividual, at Ex serip issue, ar Ex rights.

Souting Leing Cred -Melayan Banking Melayan Banking Maki Persore ----Public Bank ------Signe Carby -----

0.4 0.3 0.06 0.09 0.09 0.24

0.4 0.05 0.1 0.2 0.04 0.05 0.05 0.05 0.05



21/2+ 21/2+ 21/2-31/3-31/3-31/3-10/3-10/3-21/3-21/3-

Control Contro

2pm prices September 24

- 1915 - 

June Stack Dis.

104 CHH S FL. 69

124 CHH S FL. 69

225 CHH S FL.

| The content of the は、日本のでは、日本 

| Section | Sect 以 15年代, 15年 

| The color | State | Dec | Table | Dec | Table | Dec 

# 11 Perform # 2 P

13-16 13-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16
40 14-16 13 547
10. 22511
11. 2551
12. 2551
12. 2551
12. 2551
13. 27 2551
14. 17 215
2. 2551
14. 17 215
2. 2551
15. 255
2. 2551
16. 17 215
2. 2551
17. 1855
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 2551
2. 84 - 4 4 - 5 H Continued on Page 45



2pm prices September

| Section | Sect

12 Month P/ Sta High Live Stock City, Yid, 2 100s/Figh Low

NASDAQ NATIONAL MARKET

on cherch reh reh ala ben

ro-les ar, me of ne-in-ro-les car, of the sid.

<u>-</u>

AMEX COMPOSITE PRICES 

The state of the s

2pm prices September 24

ICH SS .34 intpC01 g1.50 instSy intrody intrody intrody intrody intrody intrody intrody introduced .40 .05j

| Property | Property

States rigures are unofficial, vearly highe and love redect the previous \$2 wheles blue the current week, but not the fames trading day. Where a split or stock dividend amounting to 26 percent or more has been paid, the year's high-only range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividend are around a remaind distinct of the control of t

# Dow falls through August lows on recession fears

THE DOW Jones Industrial Average fell yesterday below the lows it reached in August, shortly after Iraq Invaded Kuwait on concern about recession, inflation, interest rates and the budget deficit, writes Janet Bush in New York.

At 1.30 pm, the Dow was quoted 55.70 lower at 2,456.68 on moderate volume of 97m shares. The Dow had closed 5.94 lower on Friday at 2,512.38. The low on August 28 of 2,483.42, regarded as a strong support level, was easily

The drop in August was trig-gered by events in the Middle East but had more of a specula-tive, panic feel to it as traders and investors reacted to politi-cal news. The latest drop is still overshadowed by the Gulf crisis but is now more keenly focused on the US economy.

The erosion of confidence deepened after last week's testimony by Mr Alan Greenspan, chairman of the US Federal Reserve. He said that the surge in oil prices was taking the economy a step closer to recession but also emphasised that the US has a considerable

The equity market had been cherishing the slimmest of hopes that the Fed would ease hopes that the red would ease monetary policy after a credible budget deficit cutting accord. But as negotiations drag on, there is less chance that this will happen.

Economists agree that the attempt to agree on cuts of \$500bn over the next five years will be not be sufficient to

will be not be sufficient to solve the budget problem, which is bound to worsen if the economy falls into recession and if the US remains bog-ged down in a substantial military effort in the Middle East. Another surge in oil prices after Iraq threatened to attack

Middle Eastern oil installations pushed equities lower. On the New York Mercantile Exchange, November futures were quoted \$2.84 a barrel nigher at \$38.30.

US press reports suggesting that the Fed is reluctant to ease policy also weighed on the market, which had been hop-ing for some official help to bolster sagging corporate prof-

Recession-sensitive blue chips were sharply lower. Boeing dropped \$3% to \$40, IBM fell \$2% to \$104% and Aluminium Company of America lost \$3% to \$63%. Even supposedly recession-resistant consumer stocks took a heating. Philip

Mortis dropped \$1% to \$43% and PepsiCo fell \$1 to \$21%.

Chase Manhattan Bank lost another \$1% to \$11 following Friday's news of a major restructuring including a huge charge against earnings for

loan loss reserves.
Oil stocks, too, were vulnerable. Mobil slipped \$% to \$66%, Chevron was unchanged at \$77%, Texaco fell \$% to \$63% and Atlantic Richfield lost \$1 to \$193%.

Precious metals mining com-panies edged higher, reflecting a jump in the gold price which was quoted \$8.30 an ounce higher at \$402.80 at midsession. Battle Mountain Gold gained \$% to \$10% and Newmont Gold gained \$% to \$44%.

#### Canada

STRONG oil and gold shares kept Toronto stocks from fol lept Toronto stocks from following a steep drop on Wall Street. The composite index, which is heavily weighted towards resources, lost 13.9 to 3.221.5 on volume of 14.71m shares. Declines led advances by 257 to 198.

# Weighted Index 10000 8000

## Speculation pushes Taipei sharply lower

IN THE absence of Tokyo, which was shut yesterday for a holiday, most Pacific Basin markets declined to 1980 lows in meagre turnover. Heavy rains forced Bombay to close.

TAIWAN retreated by 6.1 per cent on speculation about a further rise in oil prices and an further rise in oil prices and an unfounded rumour that a trust company was suffering a run on customer deposits.

The weighted index tumbled

191.17 to 2,807.21, its lowest level since January 1988, for a two-day drop of 9.8 per cent. Turnover was T\$11.8bn after Saturday's T\$14.1bn, the lightest since January last year.

AUSTRALIA full to its low-est level since April 1989, with the All Ordinaries index losing 15.5 to 1,412.5. News Corp lost 60 cents to A\$9, a three-year

60 cents to A\$9, a three-year low, on worries about its plans to issue non-voting shares, and reports that it had threatened delist from the Australian

Stock Exchange.
Food group Goodman Fielder Wattie shed 8 cents to A\$1.28 on reporting an operating loss, but Adsteam rallied 6 cents to A\$2.44 on reports that com-

pany executives would talk to institutions about last week's plunge in its share price. NEW ZEALAND slipped to a five-year low in quiet trading as high oil prices and domestic interest rates dissuaded buy-ers. The Barclays index fell

10.50 to 1.498.00. HONG KONG dropped 2.4 per cent on Gulf worries, with per cent on Gulf worries, with the Hang Seng index losing 70.09 to 2,861.77. Turnover fell to HESTON from HESTON. MANILA declined to its low-est level since May 1987 amid fears of violence during a strike prompted by higher off prices. The composite index retreated 20.55, or 3.3 per cent.

retreated 20.55, or 8.3 per cent, to 605.71 as turnover shrank to 52m pesos from Friday's 85m, SINGAPORE and KUALA LUMPUR eased in thin business, with the Straits Times Industrial index shedding 15.65 to 1,122.74 and the KLSE compastic index 12.43 to 494.81 posite index 12.43 to 494.81. However, some markets rose; intervention by the market sta-bilisation fund helped SEOUL's composite index to rise 2.45 to 587.39, and BANGKOK's SET index added 6.06 at 644.01.

#### SOUTH AFRICA

JOHANNESBURG finished alightly higher yesterday, although trading remained cautious. Firmer bulkon prices lifted gold shares, with the JSE all-gold index rising 22 to 1,514, after recovering from a dear low of 1,617 the sile. 1,514, after recovering from a day's low of 1,481. The all-share index added 19 to 2,736. In the gold sector, Vaal Rees rose R1 to R276 and Beatrix gained 75 cents to R22. Among other mining stocks, De Beers, trading ex dividend, lost 75 cents to E78.25.

# shares take a mauling

Antonia Sharpe writes how the Gulf crisis and high oil and interest rates have inflicted further damage

Austria on the ropes as

TOCK MARKETS around the world took another manling last week, as the Gulf crisis showed no signs of being resolved and higher oil prices kept upward pressure on prices kept upward pressure on interest rates. The FT-Actuaries world index slipped 45 per cent over the week, bringing its fall since the start of the year to 25.4 per cent.

Europe led the way down, Austria falling furthest with a loss of 13.1 per cent in local currency terms. Mr Andrew Thomson of Kleinwort Benson Securities, says that Austria

Securities says that Austria has not escaped the interna-tional loss of confidence in tional loss of confidence in banking shares, which form a substantial part of the local market index. Creditanstalt, the country's biggest bank, saw its preference shares drop 18.2 per cent last week to a year's low of Sch4,090, after having kept reasonably stable against a falling market.

Mr Thomson adds that Aus-

Mr Thomson adds that Austria's image has been tarnished by investor disillusionment with Eastern Europe, and its dependence on imported oil. Furthermore, there are still several new issues weighing on the market, including Bau Holding, one of Austria's leading construction groups. On a brighter note, however, Aus-tria's economy is still in good shape, says Mr Thomson, pointing to 5.0 per cent growth in gross domestic product in the first half.

Across the Alps, the Italian stock market sank 8.6 per cent, and the local index touched a low for the year, as rising crude prices and a collapse in the lira put the deceleration in the rate of inflation and a sta-bilisation of the trade deficit

into jeopardy. Mr Darren Williams of UBS Phillips & Drew fears that the nk of Italy will have to raise official interest rates to defend its currency, though this would have an adverse affect on government finances, corporate profits and investment. With the fiscal position again looking weak, the Government may be once more tempted to tap the corporate sector," writes Mr Williams.

The outlook for the Finnish stock market, which lost 7.4



per cent last week, is still poor, says Ms Alison Brady of Enskilda Securities. Helsinki is suffering from a complete loss of investor confidence, and a of investor connecte, and a recent rise in daily volume to FM30-40m from FM10-15m is ominous. Finland does not have a strong domestic liquidity base so the bourse is very much a victim of the swings in entiment of a couple of large

domestic pension funds and insurance companies. The Finnish Government's cision to allow foreigners to buy warrants and options on domestic shares has, contrary to many forecasts, led to a sharp fall in their prices, with the result that many compa-nies, even those with favourable prospects, are now trading well below book value. Norway, on the other hand, is showing the benefits of being an oil producer. It fell only 3.1 per cent on the week and is the only European stock and is the only European stock. market to show a rise since the start of the year. Ms Brady

points out that the market le dominated by two oil stocks, Norsk Hydro and Saga. In addi-tion, Norway boasts a thriving off-shore economy, while its domestic economy has fust been through a recession. In effect, its economy is counter-

effect, its economy is counter-cyclical to the rest of the world," she says.

Japan hit a new low for the year, pulled down by reports that Japanese banks were hav-ing problems in complying with international capital ade-quacy standards and fears that several of them might have several of them might have their credit rating reduced. "Institutional investors, side-lined by the half-yearly book closures, may be encouraged to support the market in the new accounting period," writes Mr Tarek Fadiallah of Nomura International "However the" International "However, the absence of energy from the market, increasing scepticism of any raily and uncertainty regarding the state of the world economy will limit any bounce," he adds.

# Vestel makes maximum loss in Turkey

SOURCES close to the Istanbul Stock Exchange and yesterday that investor confidence in Ves-tel, a subsidiary of Polly Peck International, had been shaken by events of the last few days. Vestel's share price yesterday dropped TL/750 to TL12,000; under Turkish stock exchange rules, a share price is not allowed to fall by more than 5 per cent a day, writes David Barchard. Vestel shares had barely moved since 18 per cent of its stock was floated on the Istanbul

Stock Exchange on June 20 - until last week, when they fell 3.77 per cent. "Nobody is buying Vestel," said one investor. It is believed that vester, said one investor. It is beneved that the stock exchange authorities have been dissatisfied for some time with the performance of Vestel since the flotation, and recently made known their misgivings to Impex, the small bank owned by Mr Asil Nadir and the main market maker in Vestel. The bourse index yesterday lost 54.5 to 5.060.48 terday lost 54.5 to 5,060.48.

# Bourses slide on a bleak Monday

WALL STREET gave bourses a bad afternoon after an already bleak Monday morning, series

Our Markets Staff.
FRANKFURT'S DAX index fell 30.52 or 2.1 per cent to its lowest close since the minicrash of October 16 last year, when it dropped by 12.8 per cant to 1,385.72. The FAZ fell 3.94 to 607.06 at midsession, volume alid from DM5.6bm to DM3.9bn and there were reports of further falls of 1% to 2 per cent in post-bourse trad-

ing.
This really is a beer market, not a bull market correc-Merck Finck in Düsseldori. Political, economic and corporate influences included reunification costs and potential tax increases, inflation worries and the interest rate outlook, and increasingly gloomy corporate

news and prospects.

Rive chips led the decline, but there were big falls in construction and retailing where Billinger & Berger dropped DM60 to DM710 and Asko ended DM85 lower at DM830. ental rose another DM9 to DM266 after Friday's DM24 gain, on rumours of buyers friendly to Pirelli.

AMSTERDAM fell 3.3 per cent as a decision by Rodamco, the real estate investment fund, to stop buying back its own shares at net asset value hit an already volnerable mar-ket. The CBS Tendency index lost 3.1 to 94.3 and volume slipped from F1865m to F1762m.

kers feared a sharp fall when trading resumed. VIB, a smaller property fund, also asked the bourse to suspend trading in its shares after Rodamco's statement, and brokers expected it to take a simi-

Meanwhile, the market waited for guidance. Rodanco, which has spent F12.3bn on buying back 20 per cent of its outstanding share capital over the last nine months, had about one third of its property

PARIS resumed its slide in retreat adding to worries about higher oil prices and lower bond futures. The CAC 40 index dropped 41.01 or 2.7 per cent to a year's low of 1.502.52

Blue chips fell sharply. Among stocks losing more than 5 per cent, Saint-Gobain fell FFr24 to FFr332, Peugeot FFr30 to FFr505, Michelin FFr3.40 to FFr59.50 and Sues FFr15.30 to FFr277.90.

CMB Packaging, which reported disappointing results last week, plunged FFr9 or 8.2 per cent to FFr101 and Compagnie Bancaire dropped FFr27 or 7.6 per cent to FFr329. The bourse temporarily suspended trading in both stocks because of the steamess of their falls.

buy the rest of the company. MUAN failed to hold on to early gains as investors retreated to the sidelines before the September settlement deadline on Friday. The

in turnover estimated at

A put-through in La Rochette, the holding company, lifted the stock to the top of the volumes list; it was unchanged at FFr47 with 749,738 shares traded. As expected, Lyonnaise des Eaux sharewith Dumes, the construction company; Lyonnaise lost FFri7-30 to FFr462.70 and

Dumes slipped FFr5 to FFr606.
Pinsult, the timber company, and CFAO, the trading group, were suspended at Friday's closing prices of FFr422 and FFr369 respectively. Pinsult, which owns 33.1 per cent of CFAO, said that it planned to buy the rest of the commany. nuclear plant.
Mr Chris Heminway of Williams de Broë said this was all wrong: "Brown Boveri does

the ability of Lombardin, the securities company, to pay its debts, as its financial troubles did not appear to be completely settled. Trading was further hampered by a power blackout mid-morning which brought dealings to a halt for about 15 minutes. The Comit index

inched up 0.6 to 562.97.
Fiat rose L70 to L6.221 after
Mr Giovanni Agnelli, its chairman, said that an announce-ment could be forthcoming soon on talks with Chrysler, the US automaker. The car company is due to report interim results this week IFI, the Fiat investment company which reported that its net profit rose 52 per cent, added

1725 to L16,975.

Tyre manufacturer Pirelli closed L28 better at L1,709 but shumped to L1,690 after hours on the news that Continental of West Germany had rejected its bid to merge their worldwide tyre interests. ZURICH saw the Credit Sui-

Brown Boveri bearers dropped 8Fr370 to 5Fr3,910 after a weekend Swiss referendum voted for a 10-year moratorium on the construction of new

have a tiny part of its global business in supplies to nuclear plant construction," he said, "but in Switzerland, it's micro-

MADEID was disturbed by rising oil prices and falling Wall Street shares, and the 216.31, another 1990 low. Among the worst performers were construction shares; Uralita dropped Pta200 or 11.4 per cent to Pta1,580, Asland lost Pta235 or 7.5 per cent to Pta2,905 and Valderrivas shed Ptal,000 or 6.2 per cent to

STOCKHOLM dropped 3 per cent as mounting pessimism prompted heavy selling. The Affärsvärlden General index fell 31.6 to 1,030.1, a low for the year. Turnover jumped to SKr392m from SKr278m.

The weighted index was badly affected by a sharp drop in Ericsson shares, with the free B class falling SKr11 to SKr200. Trading in Gota and its main owner, Proventus, was supposed before years, that main owner, Proventils, was suspended before news that Proventils was selling its stake to the insurance group, SPP.

The ATHENS general index fell 106.12 or 7.9 per cent to 1,238.3 and, in VIENNA, the bourse index fell 31.33 or 6.2 per cent to 473.82.

# A quick buck is no basis for a meaningful relationship.

NATIONAL AND REGIONAL MARKETS Grous Div. Yield 113.74 111.34 156.39 155.87 106.28 103.54 106.35 103.28 200.39 159.64 87.02 83.42 105.21 106.26 88.63 98.04 119.11 116.53 177.56 67.10 106.33 186.13 210.80 143.72 1611.87 100.64 107.72 46.98 46.57 212.95 214.71 128.45 128.64 154.34 136.51 110.48 100.35 148.81 156.25 73.05 72.97 122.00 119.52 102.95 125.52 104.95 103.77 140.78 111.67 197.51 156.68 132.01 104.72 130.19 103.27 251.54 38.04 108.43 38.04 126.41 101.65 111.11 88.14 122.02 96.50 143.51 113.84 83.22 96.50 143.51 113.84 83.22 96.50 122.57 97.23 207.16 184.33 509.58 404.22 132.91 105.44 59.17 46.94 264.61 209.90 160.37 148.15 186.77 148.15 186.77 148.15 186.77 148.15 186.77 148.15 186.77 148.15 186.77 148.15 185.46 70.97 150.27 118.20 125.63 99.66 -1.5 111.41
-3.5 151.78
-1.8 104.11
-0.4 104.18
-2.9 196.28
-2.1 85.23
-0.1 103.07
-2.5 17.01
-2.0 96.08
-1.0 114.14
-1.7 65.73
+0.2 165.74
-1.0 405.26
-0.2 106.61
-3.2 46.02
-1.9 205.61
-3.8 125.61
-0.8 131.66
-0.7 108.20
-0.9 145.70
-0.4 77.55
-0.1 110.54 115.08 162.30 108.47 206.68 89.19 100.29 117.92 68.37 100.27 48.62 217.43 131.79 125.40 111.46 73.52 123.42 120.01 165.02 112.14 112.22 271.42 91.82 111.07 93.74 103.44 192.98 70.80 108.33 114.84 49.57 224.69 138.53 114.84 138.53 114.87 138.56 116.56 157.02 77.08 128.73 106.03 217.52 96.09 105.52 194.10 71.96 105.99 179.13 440.64 114.25 51.17 122.82 138.70 142.49 117.36 123.82 138.70 161.51 77.56 123.83 108.64 99.66 108.64 103.24 102.73 111.05 106.42 152.59 106.34 158.06 97.64 108.44 101.15 99.98 108.98 103.51 108.62 103.41 92.11 100.48 95.43 101.92 111.12 105.59 100.57 108.84 104.18 97.54 108.33 101.04 99.27 108.28 101.04 102.84 101.80 110.77 105.28 -0.1 100.80 100.62 -1.2 102.80 110.73 -2.7 150.37 161.98 +0.1 98.96 106.61 -0.5 100.79 108.78 -0.1 100.97 108.78 -1.3 92.04 99.18 -1.8 101.39 109.23 -0.5 101.38 109.23 -0.5 101.38 109.23 -0.6 102.28 110.77 5-0.8 102.28 110.77 447 129.50 2.02 192.36 1.21 123.01 2.57 128.03 3.91 125.82 3.54 116.11 6.00 128.49 2.83 128.78 2.75 122.96 3.07 125.14 4.22 128.08 104.95 103.71 153.51 150.31 107.03 108.74 102.88 108.21 103.10 124.41 98.98 94.25 103.51 108.56 101.07 112.13 102.30 112.57 104.42 116.56 223.29 192.76 174.18 149.43 145.82 148.77 The World Index (2355)... 124,97 -0.3 100.39 108.15 102.50 112.84 -0.2 3.07 125.38 99.46 108.42 103.03 113.05 162.05 124.97 180.68

Latest prices were unavailable for this edition.

Latest prices were unavailable for this edition.

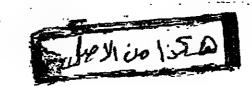
CONSTITUENT CHANGES: At the quarter-end raview of the FT-Actuaries World Index, it was decided to make the following constituent changes with effect from October 1 1990: Additions: Moison A (Canada); Casino Pref. (France); Aker B Free, Bergssen A Free, Kvasmer B Free, Oride Borregard B Free and Non-Corn. Savings (all traly); AGA A, Atta-Lavel A, ASEA A, Electrolics A, Ericsson A, SKF A and Sandvik A (all Sweden). Classification change to an existing constituent: Racal Electrories to Telephone Companies. It was also decided to use the International share quotations of MISC and Public Bank (both Malaysia) and United Overseas Bank (Singapore).

FT-ACTUARIES WORLD INDICES

Jointly complied by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie In conjunction with the Institute of Actuaries and the Faculty of Actuaries

> When we offer you venture capital, a quick return is not what we're looking for. Unusual for a venture capitalist, perhaps; but at CIN we enjoy building relationships that last. And since we're backed by two of Europe's largest pension funds, we can afford to take a more flexible, longerterm approach. For more information on our more adventurous approach to venture capital, call Catherine Lewis at CIN Venture Managers Limited on

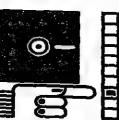
> 071-245 6911. It could be the start of a rewarding relationship. Member of IMRO



# PERSONAL COMPUTERS AND SOFTWARE

SECTION III

Tuesday, September 25, 1990



s and his

it dama

Personal computers are at the epicentre of the storm no...
buffeting the world's traditional computer of the storm now

manufacturers. Essentially, these

machines constitute the

fastest-growing sector of the

market, but they offer the lowest

margins, explains Alan Cane

# **New horizons** in automation

THE PAST 12 months have seen the coming of age of the personal computer. Once the enfant terrible of the data processing business, personal computers now generate more revenues, if not more profits, than any other sector of the computer industry and have secured their position in the computing hierarchy.

According to Dataquest, the US-hased marketing consultancy, the worldwide "if-sold" value of PCs shipped, grew by 31 per cent over 1988 to reach

While that rate of growth has not been maintained - the best estimates suggest rates of between five and ten per cent in the US and 20 to 25 five per cent in Europe in 1990 - total if sold value this year is proba-bly close to \$30bm. The worldwide market for information tachnology equipment in 1989 was about \$250bn, according to IDC Europa.

To anyone under 30 years of age, all that may seem obvious; it is often a surprise to those brought up on personal computers in the home, school and college, to realise that there was a substantial, mature data processing industry before the launch of the Apple II, in the late 1970s. Equally, many experienced data processing practi-

tioners still have problems accepting that personal com-

puters have a permanent role in professional computing.

The importance of personal computers and their role in changing the computer industry, however, is no longer in any doubt. At International Business Machines, the world's largest computer manufacturer and the market leader in personal computers, for example, there is now little difference tween revenues from mainframes and revenues from personal computers.

They are rapidly taking the place of traditional computer terminals in mainframe-based computer systems, replacing minicomputers for departmen tal and office applications and opened new horizons in antomation for small and medium

The primary reason for this diversity of influence is the power which semiconductor manufacturers are now able to build into microprocessor Chips which process \$2 bits

of data at a time from the US semiconductor manufacturers foundation of the personal computer revolution.

Software which takes advantage of the processing capacity



of 32-bit chips and provides advanced facilities has played a major part in the advance of the personal computer.

Personal computers constitute the fastest growing sector of the market, but offer the lowest margins. The difference between the manufacturing cost of a mainframe computer and its selling price may be 70 per cent or more.

For a personal computer, this gross margin falls to 30 per cent or so, so the amount of after sales service that can be offered is limited. Competition is intense and for most makers there are few economies to be found from improvements in nanufacturing. Mr Michael Dell, founder and

chairman of Dell Corporation one of the fastest growing US personal computer makers, points out: There is so little labour content in our products that even if we used robots provided free it would hardly affect our costs".

Computer manufacturers including IBM, Unisys and Digital Equipment find it hard to reconcile their traditional cost structures with the economics

of the personal computer busi-

According to Dataquest, onein-four personal computers today is sold directly to the customer. By 1994, that will be one in six. A consequence is the importance in the personal computer business of the "channels," indirect ways of getting the product most eco-nomically to the customer.

Mr Greg Noian who analyses the personal computer business for the US marketing consultancy Dataquest, says con-ventional channels — dealers and value-added reseliers are undergoing "a phase of Darwinian evolution. Today's dinosaurs are having to decide whether to evolve into mammals or birds." He means that there will

incressingly be no room for the smaller dealer who adds little to the product in terms of specialised software or services. To remain in business, a dealer will either have to become a mass merchandiser. turning a profit on large scale sales, or a specialised value added reseller, adding speci-alised software or services to

Computerland Europe, for

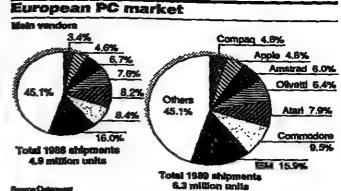
example, part of the worldwide Computerland franchising and support operation, recently

announced a new category of computer centre - Computerland International Centres (CIC) - to provide a high level of expertise and value added service. To become a CiC, a Computerland franchisee has to pass a series of tests similar to those set by IBM for its dealerships and which are recognised as the industry standard.

Manufacturers are taking a diverse approach in their efforts to find a compromise between the most economical method of distributing their products and the need to pro-vide their customers with service and support.

Compaq, the market leader in top-end personal computers, has always eschewed direct sales, relying instead on a com-prehensive network of 1,650 loyal, competent dealers.

Dell, on the other hand, pio-neered a channel which could be thought of as mail order but which the company prefers to call "direct relationship mar-keting." The company sells principally to large companies each of whom buys several hundred to several thousand



#### The shape of things to come?

A new user-friendly workstation, pictured left, incorporates a personal computer without a keyboard — It has, instead, a "work siste" concept, called the innodesk, which

incorporates handwriting and speech recognition, integrated with fax, word-processing and graphics facilities.

The prototype system, from AEG Olympia, may appeal to executives who are still wary of using a keyboard. It has a microphone for speech input and an electronic pencil which serves as a mouse, cursor or keyboard-substitute when used with a graphic tablet.

although a steady migration is in evidence towards computers

based on the high performance 80386 and 80386SX, a version that provides many of the fea-

tures of the 80386 at a lower

An interesting development

at the low end of the market was IBM's return to the home

computer business with a sim-

ity to run sophisticated soft-

ware such as Microsoft's "Works." It is now half a decade since IBM made an ill-judged attempt to capture the

home market with a poorly-styled and designed system. It remains to be seen if it has the

Apple Computer, the pioneer

of home computing, may have helped by failing to launch a

low-cost, home orientated system this year.
Technical issues are expec-

ted to come to the fore in the

next year as manufacturers

attempt to capture the market for "notebook-style" comput-

ers, small, powerful and with the ability to run for hours or

weeks on one set of batteries.

will contain the seeds of the future of personal computing.

Many believe these offerings

formula right this time.

ple system with the functio

machines over a period of time.

Deals are contracted by an account salesperson but every-thing else, including after sales service, is handled by mail, telephone and so on. It seems to work. Dell regularly turns up top of polls assessing customer satisfaction.

The importance of selecting and developing marketing channels has tended to obscure technological issues in the past year. Many of the major debates of earlier periods have lost their impact. So customers are resigned to two standards of the operating system Univ. of the operating system, Unix for small and medium-sized machines, one from Unix Inter-national, the other from the

Open Software Foundation.

They are also resigned — at the top end — to microchannel architecture (MCA) machines from IBM, and its followers, and extended industry stan-dard architecture (EISA) from Compaq and its supporters.

Technologically, the past year has been a period of con-solidation rather than dramatic advance. The best-selling computers remains those based on the Intel 80286 chip, IN THIS SURVEY

Western Europe: now a major battleground for the world's personal computer

I The US: a meturing US per sonal computer market has entered phase of slow growth, with analysts predicting that 1990 sales will be little higher than those of last year.

E Japan: notebook-sized PCs flood into offices and homes

M The Seviet Union: the domestic computer industry is in serious trouble. PAGES 2-3

■ Operating systems: big debate over the essential softdebate over the essention ware component which sits hetween computer hardware and end-user applications. Workstations: falling prices and increasing processing power attract wider interest power attract wider int from corporate users. El Portable and laptop comput ers: rapid market growth.

■ Production profile: Amstrad mass market emphasis



Ametrad's Alan Sugar: introducing a new range of profes-

Production profile: Apple at a turning point.

E Personal productivity: the next step forward.

together: a surge of growth in local area networks. Il Software prediction: the

Editorial production:

# The COMPAQ SYSTEMPRO family. Start at the top and build up from there.

Today people expect more and more from PC networks. Extra users on the network want greater computer support. They want increased performance faster. And all at the

The pressure on your network can be crippling. The COMPAQ SYSTEMPRO PC System family will meet your network needs now and will grow with you to match your increasing requirements.

COMPAQ SYSTEMPRO products deliver an unprecedented combination of total system performance and expandability. They are ideal as LAN servers or multiuser hosts.

They can also take advantage of new chiene/server applications like sharing databases; managing multiuses transaction processing, and acting as network bridges or mini/mainframe gateways.

#### ALL THE PERFORMANCE YOU NEED.

The COMPAQ SYSTEMPRO family gives you the flexibility to work with both 360 and 486 technology.

The 33MHz 366-based COMPAQ SYSTEMPRO models provide an excellent platform for file server environments, whilst the 480-based COMPAQ SYSTEMPRO models. incorporating the unique ServerCache design, maximise the 480 performance for processor intensive departmental applications.

And when you need the highest possible processing performance, you can take advantage of the unique multiprocessing capabilities of the COMPAQ SYSTEMPRO - adding a second 33MH: 386 or 480 to nearly double computing

#### AT THE SPEED YOU WANT.

Nothing holds you up when you are running data sharing applications.

The multiple system processors are integrared into the COMPAQ Flex/MP Architecture. This combines a separate processor/memore bus with the Extended Industry Standard

Architecture (EISA) I/O bus, so every component works at its maximum speed.

#### READY WHEN YOU ARE.

The advanced drive array technology provides data transfer of unprecedented speed. It transfers data up to four times faster than non-arrayed disk drives.

Users can obtain almost instant access to server or hostbased data, and benefit from increased data security.

#### DEMAND MORE, GET MORE.

The performance is staggering, the expandability amazing. As you introduce more users and more complex applications, the performance of the COMPAQ SYSTEMPRO can actually be increased by simply adding options such as system

processors or drive arrays. There can't be a better way to protect your investment.

#### GETTING THE MOST.

The COMPAQ SYSTEMPRO family leaves you totally free to work with the network and multiuser operating system of your choice.

You can take advantage of powerful network environments such as Novell NetWate 386, SCO UNIX System V/386, Microsoft LAN Manager and Banyan Vines.

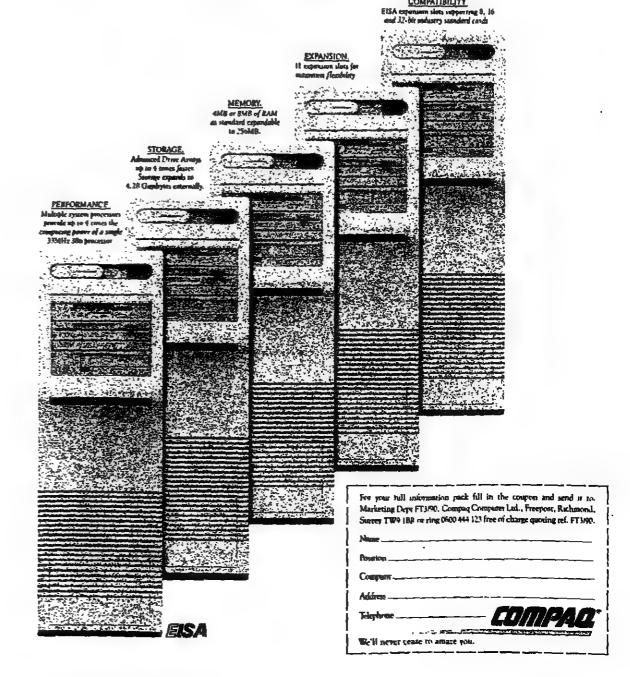
If you are working under Ethernet or Arener protocols high performance EISA boards are available from leading vendors.

For Token Ring operations, Compaq offers the world's most powerful network solution - the COMPAQ 32-Bit DualSpeed Token Ring Controller.

#### EXPERT HELP FOR EXPERTS.

Obviously you want to know more about the COMPAQ SYSTEMPRO family. Authorised Compaq Dealers are the people to talk to. For the address of your local Authorised Compaq Dealer, and a free information pack, send us this coupon or call free of charge on 0800 444 123.

product makes mentioned herein may be tradestable antime pecietered tradesiares of them perfective companies



THE MATURING United States personal computer market has entered a phase of slow growth, with analysts pre ing that 1990 sales will be little higher than those of last year. New product introductions by the major manufacturers are, however, expected to give the market a boost in the final months of 1990.

The US still represents the largest market in the world for personal computers with sales last year of close to \$14bn, representing over 60 percent of the world market.

The leading US computer manufacturers - IBM, Compaq, Apple and Tandy - have consolidated their positions in the US market, where they together hold a dominant 64 percent market share. In 1989, IBM's share of the

US market rose to 27.3 percent from 25.4 percent in 1968, according to the Gartner Group, a Stanford Connecticut market research group. The market analysts estimate Apple Computer's share of the US personal computer market at 24.9 percent, virtually unchanged from a year earlier. Compaq increased its share of the market to 11.4 percent from Other important participants

in the US personal computer market are Tandy, with a 5.4 rcent market share and Hewett-Packard with 3.6 percent European and Asian personal computer makers such as Bull, NEC, Acer, Olivetti and Fujitsu each hold more than one percent of the US market and together represent a growing challenge to US personal

Personal computers in the IBM PC AT class, based on Intel's 286 microprocessor, were the biggest sellers in 1989. Sales of these machines are rapidly slowing , however, with personal computers based on Intel's newer 386 chip expec-ted to take over the lead this year. Migration to the 386 has been accelerated by booming sales of Microsoft's "Windows" graphical user-interface pro-gram, introduced last May.

The program gives standard IBM- compatible personal computers features similar to those of an Apple Computer Macinof an Intel 386 chip to run at an

## Big changes in **US** software arena

Windows has therefore prowith a new incentive to upgrade to a more powerful machine. Also creating strong demand in the high-end of the personal computer market is the trend toward networking. More than half of all person computers use in the US are now linked on networks, according to market research-

changed the role of the per-

tional small-business, educa-Sales to small businesses growing at 16 percent annually, more than twice as fast at total shipments, according to BIS CAP International, a Norwell, Massachusetts market reserri firm Sales of "home computers"

analysts say, of the PS/1 home computer.

Confusion over software standards is one of several factors that have led to slower growth of personal computer sales in the

sonal computer in office computer systems making it an alternative to the traditional minicomputer with terminals. commuters, based on Intel's latest and most powerful microprocessor, the Intel 486, has been introduced by several of the top personal computer makers over the past year. These machines are expected to play a key role in boosting the performance of networked personal computers

The 486 provides computing power that exceed the requirements of the vast majority of personal computer users, but it can host a multi-user workgroup system or act as a compute server on a personal com-

Apple Computer, the number two US personal computer manufacturer, has been treading water for the past year struggling to maintain its 24 percent share of the US market. The company is , however, expected to launch a new range of low-end Macintosh personal computers this month personal computers this month which will address its tradi-

are growing even faster, the

US during the past year, reports LOUISE KEHOE

together with the anticipated launch of low-cost Macintosh models, will boost home computer sales, they predict. Retail sales, through department stores and mass merchandisers, are expected to expand significantly.

US Personal computer prices, which rose last year due to the higher component costs have begun to fall again as memory chip prices decline and competitive pressures pick up, IBM and Compaq have both recently reduced the prices of several of their models, while mass merchandisers are playing an increasingly important role in the market offering low-priced "clones".

While the US desktop personal computer market is flat,

sales of laptop and notebook sized computers are booming The latest lightweight models, weighing only about four pounds, incorporate all of the including hard disk drives. Portability still comes at a price premium, however, with high-performance laptops sellhigh-performance laptops sell-ing of about \$1,000 more than an equivalent desk-top system.
Laptop prices will start falling as competition in this segment of the market picks up,
analysis predict. Among those expected to launch new laptops shortly are IBM and Compaq.

Another new segment of the market with high growth potential is the "handheld" or pocket computer. These tiny computers rely upon the very latest chip technology to cram all of the functions of an IBMcompatible computer into a pocket-sized case

In the software arena, major changes are underway. The launch of Microsoft's Windows has given DOS, the most widely used personal computer operating system, a new lease of life. This has raised ques-tions about the future of OS/2, a second generation operating system, launched three years ago by Microsoft and IBM.

The new operating system is esigned to take full advantage of high performance microprocessors by providing multi-tasking capabilities that enable a personal computer to perform several applications simultaneously. OS/2 also incorporates a graphical uses

Since the introduction of the first version of OS/2, three years ago, its market impact has been limited by a lack of applications software.

Meanwhile "Windows,"

Microsoft's program that upgrades DOS into a graphical environment with multitask-UNIX, traditionally a mini-

computer operating system, is now finding its way onto networked personal computers and is dominant in the market for computer workstations. With the introduction by Apple Computer, Hewlett-Pack and and others of graphical

user interfaces for UNIX which make the system far easier to use, UNIX is becoming a serious contender in the personal computer arena, Confusion over software standards is one of several fac-tors that have led to slower growth of personal computer

sales over the past year. Also inhibiting growth in the US are general economic conditions and the more mature state of the personal comput

Price-cuts are forecast, says Alan Cane

# Western Europe now a sales battleground

ing at less than 10 per cent a year, Western Europe has become a major bettleground for the world's personal com-

Growth in Europe is still thy; some experts estimate it at 25 per cent a year or more although they accept that it will follow the US pattern in the next few years. They suggest that the market may grow by only 15 per cent in 1991 and just over 10 per cent in 1992. Mr Jim Beveridge, computer industry analyst for IDC

Europa, takes a more pessimis-tic line, arguing that market conditions are already dismal. He has two concerns. First, that economies are slowing across Europe and that major expenditure on all but essen tial items. New computers and

**US companies have** the lion share of the **European market** 

upgrades to existing systems are not regarded as essential

he says. Second, he believes that a dearth of accurate and timely market data means that the industry has no control over its own destiny - "It has no idea where its going," he com-plains. "And if the hardware manufacturers do not know what they are doing, the dis-tributors and dealers certainly

and analysed on a regular basis by an independent body to give the personal computer equivalent of the semiconduc-tor industry's "book-to-bill" ratio, an indication of the belance between supply and

in the US, plans are being laid by major manufacturers to supply market data to an inde-

Worldwide PC shipments: by region\* Wandwide UMITED STATES 21,631 % of regional marks WESTERN EUROPE 6.705 REST OF THE WORLD 136 4,140 22,208 % of regional marks

leation of a guickly maturing overseas market. e: Dataquest report, 1990.

#### Top five vendors: worldwide shipments of IBM and IBM-compatible PCs

Vendor	imite, 1999	
IBM	2,436	.14
NEC	,1,172	.4
Olivetti	643	.32
Compaq		
Toehiba		
TOTAL, top five vendors	5.522	.32
Others		
TOTAL, all vendors		

Despite facing an onsignit from PC-compatibles makers, ISM is well in the lead in terms of PC units shipped in 1989; ISM's share of

pendent consultancy for analysis. Mr Beveridge believes that inventories are building up which will result in heavy price-cutting before long. It will be an element of a

battle, however, in which European-owned manufacturers play only a minor rele. Of the seven main competitors, only two, Olivetti of Italy and Amstrad of the UK, are European in origin.

Japanese companies, with the exception of Toshiba, have yet to make an impact on the European market; it is significant, however, that Toshiba is the market leader in laptop computers, an sector in which Japan is dominant and which many believe will be the chief area of future growth. Mitsubishi recently took over Apricot of the UK which will help its performance in the high-end pc/workstation end of the mar-ket. The overall leader, with 15.9 per cent of the market measured in units, according to Dataquest, is international it has held since it launched its

PC in the early 1980s. Second is Commod 9.5 per cent and third Atari with 7.9 per cent. Detaquest's figures indicate that 6.3m units were shipped in Europe in 1989. In past surveys, IBM's market share has been significantly larger. Experts reckon, however, that its present position owes more to the overall

to encroachment by competi-

What has emerged over the past months, however, is that distribution channels — the indirect routes involving dealers and value-added resellers are fundamental to competitiveness in Europe.

Romice, the UK marketing consultancy, argues that IBM's position is the result of its nastery of dealer channels. It says: "Despite the approach of 1992 and the Single European Market, there are different levels of development in distribution channels. For example, Spain's channels are growing in sophistication as demand for microcomputer products grows, while small microcomputer dealers and distributors in a more developed market in the UK may be prey to takeover by much larger French distribution compa-

Romtec points out that the UK has a disproportionately large number of microcomsales of these companies are about a fifth less than the

European average. The overall market is differ entiating rapidly. The pc is becoming simply another elec-tronic appliance which gives weight to Mr Alan Sugar of Amstrad's view that computers will penetrate companies and the home as thoroughly as tele-Since the launch of Amstrad's business range of computers, it has sold about 2.73m machines worldwide, the greater major

ity in Europe.
Olivetti remains the major European owned personal com-puter manufacturer and the only one with a full range of machines competing in all the major markets (Siemens of West Germany which has just merged with Nixdorf, after the latter ran into serious financial difficulties, fields a full range of personal computers and workstations, but is still chiefly confined to its native market).

Olivetti's claims to leadership of the European small computer industry are based on a range of high performance computers, launched late last powerful microprocessor chins from Intel, the 80486 and the 860; the machines use

European sales may still be growing by 25 per cent a year

Extended Industry Standard Architecture (EISA), the indus-Channel Architecture (MCA). For the most part, however, established European componter manufacturers have tended to badge label other manufac turers' PCs, rather than build their own. ICL of the UK which is shortly to come under the ownership of Fujitsu of Japan has had unexpected success in selling pes made by Acer of

Bull of France took the process a stage further by acquiring the personal computer operations of Zenith Corporation of the US and running the company as its personal computer division.

生活。

EL TOUR

feet and

17 · 1

建工业)

2017年

MT-90 707 ()

200

: ....

Tulip Computers of The Netherlands has expanded suc-cessfully outside its home market, but financial problems at Philips, the Dutch electronics giant, have been blamed on its The failure of European

manufacturers to rise to the challenge of the personal computer, however, is indicated by the rise of Compaq of the US, now second only to IBM in high end professional machines after only six years competing in Europe.
Success in Europe demands

high quality products, excellent customer support and sertery of the d channels. Compaq now has 1,500 members in its European ler network

It is possible that the market will be given a boost by a demand for personal comput-ers from East Europe and the Soviet Union - up to 25m units over five years according to some estimates. But will it nefit Europe's makers or their competitors from the US and the Pacific Rim?

#### and finest computer products from around the world. And in 1990, the European computer experts who judge at CeBIT awarded their top honour for design excellence to a Wyse personal computer, our Model 3225. ¿ Several PC brands are better known than Wyse to the world at large. But it isn't particularly

surprising that one of ours was selected for this prestigious award. Wyse design expertise has been winning a following among computer professionals for nearly a decade. And today, we have an installed base of over 3,000,000

he world's largest computer exhibi-

tion is CeBiT, held in Hannover.

Germany. It is the premier inter-

national showcase for the latest

terminals and personal computers. Our design goal always is to add value. The ingenious design of our terminals, for example, gives them more features, styling and ergonomics than the competition. For less money. As a result, Wyse is the largest independent maker of computer terminals.1

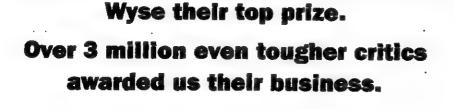
Similarly, our new family of UNIX multiprocessor systems offers better price/performance ratios than any similar line. Plus the investment protection of expandability.

You'll find such value reflected throughout our family of PCs, as well. All are extensions of the design philosophy and capability honoured by the CeBIT judges. To learn more about their winning ways, just call 0800 585911.

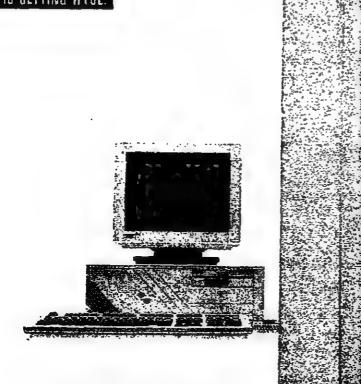
wyse

0800 585911 FROM OUTSIDE UK CALL 44 734 342200

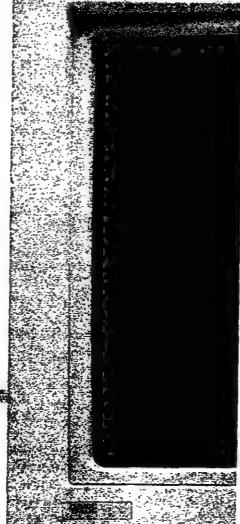
Source: IDC 1989 Terminal Census ctive owners. © 1990, Wyse Technology Inc.

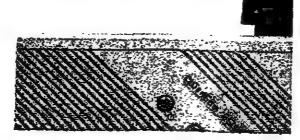


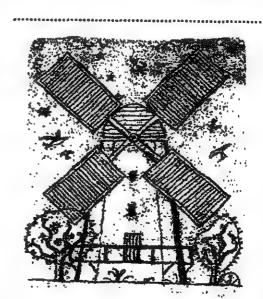
Ten of Europe's toughest critics awarded



The Wyse Model 3225, winner of Europe's CeBIT award for design excellence. Novell certified as a network server, this 25 megahertz 386 runs today's demanding business software with brisk efficiency.



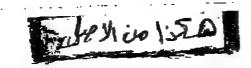




"Ability is the power of applying knowledge to practical purposes".

> At Twinhead we believe the key to our success has been our ability to provide practical solutions to today's business problems. > From entry level AT PCs, through 386SX, 386DX and 486 machines, to laptop and network stations; our range of high quality, competitively priced, computer systems are suitable for a wide variety of applications. > To see how we can apply our knowledge to provide practical solutions for your needs, call Julie Grange today on (0256) 811366.





# **Problems abound**

IT IS a feature of the Soviet economy that though it can support the most impressive space programme in the world. it still cannot produce some the core components of a per-

So far, there is still no entirely Soviet-made personal computer which has a hard disk. No state in the former eastern bloc ever managed to mass produce an equivalent of the Intel 80286 microprocessor - the most widely-used chip in

western desktop computers.
The scale of the potential demand is immediately apparent, even though market statistics on the USSR are very sketchy. The Soviet PC installed base in 1989 was 400,000, according to Business International estimates

Padriality.

Se Storing

W 2041 3 /4

In a survey of the Soviet market, published last July, the organisation predicts that by 1995 the total demand will stand at 25m units. Under the current Five-Year Plan, the Soviets were scheduled to produce 300,000 PCs in 1989, but it is extremely doubtful that they OU COURSE

Though it is wrong to com-pletely write-off the Soviet's domestic computer industry, it is undoubtedly in serious trou-

With western machines more freely available, Soviets are shunning the outdated and unreliable Agat, Iskra and other domestically-made

Speaking on Moscow TV last month, the manager of the Elektronmash computer plant in Kiev said his factory was in crisis, due to plummeting

For at least 20 years the guiding R&D principle in the Soviet civilian computer industry has been the reverse engineering of western designs. The Agat, for example is a clone of the Apple II. Full compatibility, however, was never achieved and the Soviets have always had particular trouble with interfaces.

Paul Bygrave is technical director of UK-based Quest Automation and is responsible for the support of the company's 3,000 unit installed base in the Soviet Union. He says one site had bought

a large number of PCs manufactured by the largest eastern bloc computer manufacturer, Kombinat Robotron of the GDR. His customer had been assured that these were fully IBM AT compatible. Bygrave discovered they had a 64-pin male connector on the mother-board, which rendered them ern peripherals. You can take absolutely



in Moscow, computer operators call up financial data at the Commercial Bank for Innovations.

nothing for granted and have to look at every machine in detail," he says. PCs linked together in a local area network (LAN) are an extremely popular solution in the Soviet Union. They tend to be highly cost-effective - something of great importance to buyers with limited hard currency.

Andrew Zoltowski, Eastern European Director at networks specialists Novell, says multiple PC systems are playing an important role in Soviet structural reform.

Perestroika is about decentralisation at both a broad and small scale. As individual organisations decentralise new people at different levels will make decisions - to do this they must have information and they must be able to com-municate," he says. Microsoft-DOS is the domi-

nant PC operating system in the Soviet Union. OS/2, billed by IBM as its replacement, is seen as expensive and is even less popular than it is in the

The Soviets primarily use pirated versions of MS-DOS writing their own cyrillic interfaces. Last April a big step towards tidying-up the chaos which this caused occurred when Microsoft released Russian DOS, in conjunction with the US-Soviet joint venture, JV

Software piracy is endemic in the Soviet Union. Moscow programmer Peter Kvitek works for JV Dislogue – he says that most Moscow programmers who wants the latast release of a major western package will have obtained a copy within a month of its

release in the west.

The problem of piracy goes beyond the inquisitiveness of individual programmers - it is a structural problem. There is no Soviet software industry; traditionally an organisation will buy a computer, then hire a programmer to make it work

 bow be acquires the soft-ware to do the job is up to him. Buyers have very limited hard currency. For the cost of a major western software package, an organisation could pay a team of programmers for a

The absence of laws protecting intellectual property ren-ders futile any attempts by western companies to protect their products. In June 1989, a collection of major western software companies, including Autodesk, Novell and Micro soft, along with the Soviet Academy of Sciences and the State Committee on Informatics and Computer Technology, Zalessky, near Moscow. They signed a joint declaration manding new copyright legislation.

Last June, the trade agreement signed by President's Bush and Gorbachev included a Soviet commitment to amend its copyright laws to include computer software. As yet, the hard-pressed Soviet legislature has not come up with new reg-

Though the Soviet system failed to generate a software industry, what it did produce was large numbers of extremely talented program-

Richard Handyside, the UK managing director of CAD/ CAM specialists, Autodesk, says the typical Soviet engineering graduate has been edu-cated to a higher level and has a better understanding of surrounding disciplines than his British counterpart Autodesk has set up a joint

venture company in Mos called Parallel, to exploit the skills of the city's program-ming community. Parallel has thus far produced a compilar for the Autodesk's main product, AutoCad, which is used by hundreds of UK companies.

Robert Farish

#### Rising demand for notebook-sized PCs in offices and homes

# A surging market in Japan

PERSONAL COMPUTING in Japan has finally taken off in a big way this year, thanks to smaller, low-price notebooksized personal computers. Japanese manufacturers, too, are benefitting from the rising sales and profits.

These diminutive personal

computers, dubbed "notebook-PCs" because of their slim, portfolio-size dimensions and under weighing under 6 lbs., are finally overcoming the Japanese hesitancy to use PCs. Equipped with high-resolution liquid-crystal displays and power-saving features to extend battery life, notebook

PCs have become a trendy item in fashion-conscious Tokyo. Toshiba advertises its bestselling "Dynabook" notebook PC, using race-car drivers as promoters. TV comedians recommend carrying a notebook PC as a ploy to snag dates at trendy Roppougl singles bars.

Hesitancy in Japan about the use of computers is being avercome

In a word, the crowded, urban es of Tokyo are finally liberating themselves from penclis and erasers.

Competition within Japan is fierce for the top position in notebook PCs: NEC and Toshibs are slugging it out, with Sharp, Seiko-Epson, and others ready to enter the ring. NEC's computers covers the

full range, from supercompu-ters to notebook PCs. Its strong suite, though, is in smaller systems, especially PCs. Its 50 per cent share of the domestic PC market accounts for nearly one-third of NEC's total com-puter revenues. Its "PC 9800 series" of 16-bit deaktop PCs has amassed a software library of over 10,000 programs, the largest in Japan.

Yet in the laptop/notebook PC market, the picture is some-what different. In the US, Toshibs and Zenith tied for the lead in the combined laptop/note-book PC market with 20 per cent each of shipments, NEC was a distant third with 12%,

followed by Compaq.
Calling itself the "King of Laptops," Toshiba built an early lead on the success of its T3100 series of larger laptop computers. Using expertise developed in low-power con-suming technology, it intro-duced a new class of small,

light machines.

Naming them "notebooks," these PCs' functionality, styling and remarkably low price made them an instant hit with under 2.7 kilograms and the size of an office-notepad, note-books caught the public's imagination. The Dynabook was voted the "hit" consumer product of last year by a leading monthly magazine in Tokyo. But will Toshiba hold on to

its early lead in notebooks? At International Data Corp. -Japan's PC specialist - Ken Fukuda – does not think so: "NEC will eventually overtake Toshiba in the notebook race, at least in the domestic market. NEC has a vast chain of dealers dedicated to NEC PC sales, something that Toshiba just cannot match. Its large library of software will provide an additional inducement to

buyers," he says. Getting used to personal computers and keyboards has not come easy to the Japanese. Keyboard "phobia" among males over 40 is a common joke in Japanese offices. In desperation, some compa-

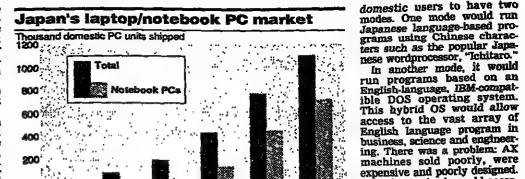
nies took strong measures to overcome this computer shyness. Omron, a Kyoto-based maker of electronic industrial controls, requires middle-level managers to take computer literacy courses. Recently, the company purchased 1,200 Tosh-iba Dynabook notebook PCs for employees to make sure the training was put to good use.

Japanese wordprocessors, or
"waa-pro" as they are called

here, paved the way for this year's boom in notebook PC sales. According to Bill Smale of Smale/Brooks Ventures, a computer consultant in Tokyo, "waa-pro" machines, limited though they are in capability, accustomed users to PCs. While European and American users learn keyboard familiarity from typewriters, kanji character-dedicated wordprocessors fill this role here," he says. In desktop PC manufactur-

ing, Japan continues to move upstream by offering more powerful machines. This strategy is helping Japan avoid a head-on collision with the strong manufacturing capabil-ity of other Asian countries on the low-end of the PC market. Taiwan and Korea, among others, are producing low-priced entry-level and mid-range XT and AT machines, at rock-bot-

But the real action in the



Japanese PC market is not in the larger desktop PCs, but in notebooks. Manufacturers had at least two compelling reasons for "down-sizing" desktop PCs. In the first place, personal computers here were regarded as luxury items - expensive, impractical and bulky.

1986

With new manufacturing techniques such as surfacemount technology and with large production runs, makers could afford to cut prices. Entry-level notebook such as NECs "98 Note," for example, could be selling below the Y100,000 (£375) by the end of this year. This is the same pricing point at which VCR and CD-player sales took off strongly in Japan. Another reason, specific to Japan, for down-sizing bulky desktop computers was to cope with the crowded Japanese environ-

The shock waves of the notebook boom are rippling through the software market here, too. Bill Totten, an American who heads one of Japan's biggest software distributors, is at the centre of the storm. His company, Assist KK, is

Japan's PC market

offering a suite of inexpensive software packages targeted at the new notebook user crowd. Priced at under Y10,000 (£35). Assist's line of Japanese word-processors and spreadsheets increases the pressure on the entire PC software industry here to meet the average per son's need for inexpensive, pro-

ductive software,
"Japan's workforce is coming out of the dark ages," he says."Up to now, they've relied on outmoded office systems using pencils and erasers. I'm convinced there is a large pent-up demand for software of this type."
While the new story in personal computing is notebooks,

an older project has finally come to a end the Architec-ture-Extended or AX personal computer standard. The industry is finally accepting what seemed clear to many at the beginning - AX offered too little for too much Yen.

First proposed several years ago, the AX project was an attempt to kick-start the Japanese domestic PC market. The idea was to create a new operating system (OS), allowing

AX makers attempted to upgrade the graphics displays to the high-resolution VGA standard in hopes of attracting new interest. But the effort was fatally delayed. ASCII Corp., the software publishing

machines sold poorly, were expensive and poorly designed. AX PCs received a cold recep-

tion from the home market, too: consumers bought inex-

domestic users to have two

Japanese PC-makers are offering increasingly powerful desktop machines

company headed by Japan's enfant terrible of computers, Kay Nisbi, stumbled in designing the key IC component, a VGA controller. Now, even those who once felt the need for the AX standard have moved on to other more prom-

moved on to other more prom-ising projects.

Sharp Corporation was one
of the first to attack the prob-iem of providing truly portable
computing power for the busi-ness traveller. Sharp's "Wix-ard" fit-in-your-shirt-pocket
alectronic organizers sell well. electronic organisers sell well, worldwide. Sharp claims sales of over 100,000 units a month.

on :ke ch dd als bea to

up nd

in ro-ra-im cas car of he sit-ed, hid a,

Joining the electronic diary market were Canon, Epson, NEC and Citizen. While lack ing the flexibility and storage capacity of notebook PCs, they have filled a need. Yet what the shirt-pocket computing market really seems to need is notebook PC-power, in an even

Sony struck the first blow in the palm-top market, amounc-ing recently a machine with the capability of a full-blown computer in a tiny plastic box that fits in the palm of a hand, Continued on page 4

Market percentage and NEC 50.3% (-2.0%) Others 7.7% (0%) Tochibe 12.5% (2.7%)IBM Japan 7.79% (1.3%) Fujiteu 13,7% (0.1%)

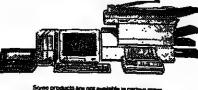
# I JUST HAD ANOTHER GREAT IDEA. SANYO.

Frankly, running my own company generates enough pressure without having to worry if my office system is up to standard. So I turned to Sanyo.

Leading edge personal computers, fax machines, photocopiers, in fact everything I need in office automation. Sanyo delivers the quality that my customers demand. Right first time, every time. If you're interested in big

returns from a modest investment, try Sanyo. Your customers will be glad you did.

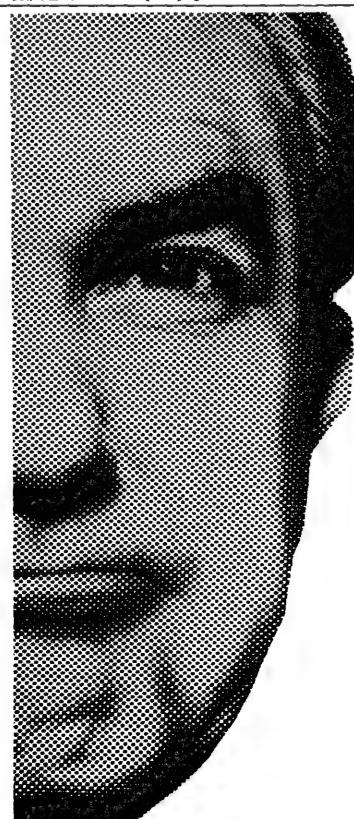
Sanyo. It's not only a smart solution, but probably the only solution.



SANYO OFFICE AUTOMATION. THE SMART SOLUTION.



SANYO Information Systems (UK) Ltd. - Sanyo House - Otterspool Way, Walford - Hertfordshire WD2 8JX - Tel, 0923/246.363



illing acrost the Channel further and further

hat we are just beginning to appreciate.

#### We're expanding our corporate network into four new countries. VINES leis us do that - and a great deal more.

And we can still monitor and diagnose systems on the whole network from right here.

#### We won't need any new support people.

That's mainly thanks to VINES distributed

ng system, StreetTalk. it's truly global, and it's also thanks to VINES multi-lingual

capabilities, which allow us to manage native language networks in France and Germany from right here, in English, without having to employ any extra support staff. If you're currently expanding your corporate

computer network, or are ever likely to, contact: Banyan Systems Europe, Banyan House, Northwood Park, Gatwick Road, Crawley, West Sussex RH10 2XN England. Telephone: 0293 612284.



CORPORATE NETWORKING MADE EASY

# Buyers spoiled for choice

THE businessman who whips out his laptop computer the moment he is delayed by either air-traffic control or the efficency of the state-owned ran-way network, is no longer a rarity. Although the occasional backward-looking businessman may look up in surprise from his Robert Ludlum thriller at the sight of one of these machines, the laptop computer has entered into common busihas entered into common busi-

The impression that the por-table computer market in Europe has taken off over the last 12 months is confirmed by the latest figures from Dataquest, the Paris-based market research company.

European sales of laptops creased from about 250,000 in 1988 to approximately 460,000 in 1989 – an increase of about 79 per cent. Preliminary figures prepared by Dataquest suggest that such levels of growth are set to continue; por-table vendors shipped about 340,000 machines in the six

months to June 1990.

All three significant European markets — France, West Germany and the UK — are growing fast according to the company. Given the rapid growth of the laptop market, it s hardly surprising there has been an explosion of new entrants on to the portable cene, most of them supplying heavier machines over 8 lbs which require less sophisti-

ated technology. Apart from the market leaders, there are now more than 35 suppliers in Europe, selling between 11,000 and 1,500 units during the first six months of the year, and there are even

more shipping fewer.

Nevertheless, in spite of this explosion in suppliers, Toshibs, which was the European market leader last year with about 36 per cent of shipments, has managed to maintain its described partition with 230 controllers. dominating position with 32.9 per cent of the market for the first six months of 1990.

Compag, which only really entered the portable arens in 1989, has increased its share from 11 per cent to 13.1 per cent, while Zenith has slipped from 12 per cent to about 9.2 per cent. Sharp has maintained its position with about 5 per

"It's unusual in an emerging motor for the market leaders to

SAMPLE PRICES
(ancluding carriage and VAT)

23Miz 8049; c.pu, enhanced maths coprocessor and cache RAM, 6401280795K secondary cache option, 32-bit 85A bus, 8MB RAM (man 32MB, 3W\* 1.4AMB FDD, new parallel two serial ports, six 32-bit 815A stots (nt 16-bit cards stot, new 16-bit AT stots, 7 drive bays, sower case, Mouse, ASS DDS 4.07, NS WINDOWS 5.

Hard Ohk 1996/6/28/05 IDE 2806/8/15/05 IDE

IMA/s 80386 cpu. 323. cache RAM, EISA bus. 2MB RAM finast
32MB), 33° 1.4MB FDO, reo parallel two serial ports,
80387-31 or Wehek marths societ, ski 33-bit EISA slots (IH AT
carda alsos, two AT slots. 7 drive bury. sover case, Mosso,
MS-DOS 4.01, MS WINDOWS ).

Hard Disk
VGA Caleur
23°5 100MB/25mS IDF 23°95
2008F/35mS IDE 21°95
21845 128MB/25mS IDE 21°95
21945 428MB/25mS IDE 21°95
22794 640MB/25mS ESDE 440°5
22794 640MB/25mS ESDE 440°5

PC-386B/23 Cache

25Mhz 80386 cps, 64k cache RAM, 1848 onboard RAM (max 16448), 80367-25 onths socket, 31° 1,44448 (FDO, 1 parallel two senal ports, four free AT alots, 4 drive bays, cotspact case, Mouse, MS-DOS 4.01, MS WINDOWS 3.

Hard Disk 40MB/28ar5 IDE 100MB/25ar5 IDE 200MB/15ar5 IDE

ALSO AVAILABLE: PC-20MA Similine (1M6 RAM, 40M8 HOD, VCA Mono) £775 PC-88M Similine (M6 RAM, 20M8 HOD, Mono) £598

Each PC connex with a keybohrd, monitor (14" table, comprehensive mansals, T2-month Warranty, and Uniformized Technical Hothing Support. Optional on-site support is available from Response Computer Maintenance at EIB for any PC configuration, All trademarks are recognised. Boner reserves the right to change specifications and prices without motion. All goods are supplied soliperal solely to Blower's terms and conditions of trade.

NEW LONDON OFFICE

Tel 081-452 4444 TECHNICAL SUPPORT

Tel 081-450 6262

NORTHERN OFFICE Elonex plc, 7-9 Campus Road, Listerhills Science Park, Bradford, West Yorkshire BD7 1HR Fax (0274) 307294

Tel (0274) 307226

ERS Computers, Merchant Court 24 Merchants Quay, Dublin 8 Fax 1-6791728 Tel 1-6797774/5

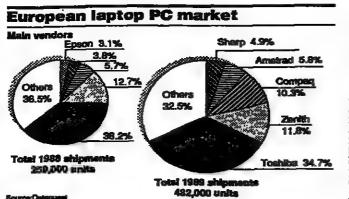
PERSONAL

COMPUTERS

Marktech (Benelin) SA Route Province Bie 7, B-1301 Wavre (Bierges), Belgiu Fax 10-41 45 96 Tel 10-41 42 26 -

nex plc. 2 Apsley Way. London NW2 7NF

**YGA Colou** 



Vendors: half-year data, 1990.	Total '000 shipments of units	Europe, percentage of units
Toshiba	†11.72	32.9
Compaq	······································	13.1
Zenith		9.3
Sharo	17.49	5.2
Victor	11.93	3.5
	08.8	
Epson	7.80	2.3
	7.10 <b></b>	
	5-98	
	35.35	

maintain their position in the way Toshiba has," says Gordon Curran, marketing director at Dataquest. "It's managed to do it essentially in two ways - by maintaining their technologi-cal lead and by dominating the distribution channels."

Certainly the two leading manufacturers are marketing machines which are very different from those in existance even two years ago. Compared with earlier portable computers, laptops are now:
Far lighter and smaller. The

manufacturers have been using miniturisation and down-sizing techniques to create lighter components. Diskdrives and hard-disks have been on F-Plan diets while screens have become distinctly anorexic.
In addition, the electronics

inside the computers have also been shrunk thanks to a production technique known as complementary metal-oxide sil-icon manufacturing, known in one of those ugly acronyms as CMOS. This provides the high component density for the

also creates components which consume little energy.

Finally, downsizing - using one component to do the work of two - has also played a significant role in reducing size

memory and logic chips, and

• Far more legible. The latest screens use liquid crystal displays which are far easier to read in poor conditions than earlier technologies. Commer-cially available colour screens should become available sometime next year. • Able to run longer. The new

screens, miniaturisation and down-sizing, have all acted to reduce power-consumption. In addition the leading manufac-turers have included power management systems which monitor usage of the machine and close down those components which appear immedi-

The two leading manufacture ers have also managed to dominate the European market by controlling the distribution networks, according to Mr Curran. The manufacturing tech

THE WIND OF CHANGE

GALE FORCE

You've never had it so good.

A choice of powerful 32-bit computers to suit every pocket.

From the ultra low-cost 386SX to the state-of-the-art 486 and 386 machines

using the latest 32-bit EISA technology.

Backed by a professional and friendly technical support team with

in-house expertise in connecting PCs together.

Who else can offer you so much for so little? T 25/9 Please send me information on the Elonex PC range and services and a reprint of PC User's 486 EISA Beview.

nology of the Compaq and Toshiba has allowed them to take cost out of their products at the same time as adding fea-

The combination of attrac-The combination of autractive margins and technologically superior products has proved highly alluring for the computer dealers. In the absence of a credible product from TRM — Ric Rice has had from IBM - Big Blue has had a number of disastrous forays into the portable market - the been shie to penetrate about 60 per cent of the European IBM

dealership.
According to Mr Gian-Carlo
Bisone, the vice-president for marketing at Compaq Europe and its international divisions, Compaq made a deliberate decision to distribute its prod-ucts through independent deal-

The high level of penetration of the dealerships by Toshiba and Compaq will provide a significant barrier to entry for the other companies wanting to cash in on the portable com-puter boom, explains Mr Curran. He argues that even com-panies with attractive products and technologically sophisti-cated products will find it diffi-cult to sell their equipment in large quantities.

Mr Bisone adds one further

significant barrier to entry: the range of products of the mar-ket leaders. He can ket leaders. He says a key ele-ment is to have a full line of products offering tailor-made solutions to customer require ments. He believes that the could well prove prohibitive for many companies

There is not a single significant personal computer manufacturer, other than IBM, that has not launched a product on to the portable market during the last 12 months. Prices in this sector are falling fast, generating significant growth in volume terms. However, margins are under pressure in this sector and growth in value terms has not been as signifi-

Eventually, portable prices could fall sufficiently low to be sold at department stores and mass-merchandisers, such as Dixons in the UK, or Frac in ran at Dataquest.

#### Della Bradshaw on options between PCs and workstations

# Difficult decisions

THE RELATIONSHIP between the workstation and the per-sonal computer has tradition-ally been similar to that of the Persche sports car to the Ford Eacort. It is a faster, more powerful and more expensive machine, targetted at an elite market segment. But now the workstation

manufacturers are trying to persuade would-be customers that this tuned-up turbo-charged machine is the answer to general office automation needs, as well as those of the design and engineering depart-ments, which have tradition-ally housed the workstation.

At the head of the queue is Sun Microsystems, which, ear-lier this year launched a work-station priced at just £4,000 — comparable in price to top-end PCs. When workstations were first introduced, by comparison, they cost hundreds of thousands of dollars.

Other traditional workstation manufacturers, such as Digital Equipment, Hew-lett-Packard (HP), Apollo (now part of HP) and Intergraph, are following similar strategies, while Japanese computer man-ufacturers such as NEC, Sony ion manufacturers, such as and Toshiba are also entering the marketnlace.

The falling prices of work-stations combined with their large processing power means that they are now being considered by many companies as a way of increasing staff produc-tivity, says Bill Passmore, head

THE EVOLUTION of personal computers over the last decade inevitably led to user wanting to connect them together and

to larger systems. It is now generally acknowledged that the mainstream for all business computing in the 1990s will be based on powerful personal computers or workstations connected by commu nicutions networks.

Sadly, personal computer software, especially the MS/ DOS operating system, was never designed to cope with the complex problems which result from connecting computers together. This has led users opers alike to look for an alternative to MS/DOS.

Until recently, there were only two alternatives. Users could replace their MS/DOS operating software with OS/2, Microsoft's follow-on product launched in 1987, or Unix, the operating system devised in the late 1950s by researchers at AT&T's Bell Laboratories in the early 1970s.

operating system choice has been a constant source of frus-tration and confusion for the last two or three years. The argument has been promoted by vendors as a mutually exclusive choice. You either go for Unix or you go for OS/2.

As a result, many users have

put off the decision or decided to do the best they can with MS/DOS and extensions to it. The issues are not simple. The operating system is the essen-tial software component (or set of components) which sits between computer hardware and end-user applications. In traditional personal com-

puters it provides systems ser-vices such as access to data files on disk, control of communications with other systems and the housekeeping procedures (security, data protection, and so on) required to keep the software system in

MS/DOS performs this job adequately enough and, in the last decade, has attracted an estimated worldwide base of about 15m users, according to market researcher Dataquest. This growth has occurred despite MS/DOS's limitations

Sun believes its £4,000 Sparc-

take theirs up in power. Some manufacturers still

believes a workstation has three characteristics: it has

of Sun Microsystems in the

station SLC. which can process up to 12.5m instructions per second, will be particularly useful for applications such as eletronic publishing and for gaining access to databases, as well as providing a cheape tool for the more traditional engineering and design appli-

helieve the workstation is char-acterised by the "three Ms" one megabyte of memory, one Mips (million of instructions per second) of performance speed and a million pixels (pio-ture elements) on the screen. Others balleve the difference

is determined by the operating system it runs — Unix is often seen as the workstation operatiing system, Others meanwhile put it down to the central processor: it has to be a 32bit sys-

Distinctions are blurring But one of the basic difficul-ties in deciding whether to buy a PC or a workstation is sort-ing out one from the other. The with the distinction between the two becoming more blurre all the time, as workstation makers bring their machines down in price and PC-makers

advanced communications and can share tasks around a net-

work; it is powerful enough to give an instant response to the user, and it has a sophisticated user interface, using pictorial icons on the computer Promoters of the PC will immediately jump to its defence and claim that it demonstrates many of these characteristics. The Apple Macintosh is famous for its screen icons, and IBM's PS/2 PC dis-

plays several of the features that purists say characterise the workstation. It is networked, it has a multi-tasking operating system - several tasks can be performed simul-taneously - and it has high quality graphics. In spite of what would seem an overwhelming case in favour of the workstation in many applications, there are

problems, both real and per-ceived. As the term workstat-ion has been linked so strongly with the Unix operating system, the "Unix wars," as they have been called, have serve to damage the reputation of the operating system as an open system, to enable computer users to buy equipment from several manufacturers

and link them together.

The latest state of play sees manufacturers adamantly fixed in two camps, centred on the Open Software Foundation and Unix International, each camp supporting a different variant of Unix. Manufactures such as

ences betwen the two two Unixes are very close together, with the work required to move between the two very slight," he says.

A second inhibitor in the

any

The state of the s

1

**医**罗里亚亚

Compacts 1

gey to Allam 5

esiness on

<u>855</u> 47 m²

20 July 100

<u>:⊈</u>⊆>:

ggan v

型された。

4. A.

The State of

2011 : 1

1277

202 (1947)

take up of Unix as an office system has been the lack of relevant commercial software. Most of the popular office pack. ages - such as word processing or accounting packages have been written to run on IBM PCs under the MS/Dos operating system, rather than under Unix. Passmore says that is all about to change, and within nine months packages representing 80 per cent by vol-ume of MS/Dos business software will run on Sun workstat-

"The logic to buy a workstation is now overwhelming," argues Passmore, persuasively.
That sort of argument seems to be holding sway in the marketplace, which has seen a rapid growth in workstation purchases over recent years. Although the number pur-chased still falls well behind that of PCs, the workstation is still likely to be the computing tendsetter well into the next decade, according to the Market Intelligence Research Corporation, which predicts the revenues from workstation sales in the US alone will reach \$5.876bn this year, from just \$2.238bn in 1987. By 1994, the US market will be worth almost \$10bn.

Philip Manchester on the operating system debate

# The issues are not so simple

to put some of them right. But required to perform more advanced functions like the support of several users (multiuser) or several different programs (multi-tasking) simultaneously, the operating system software lets the system down. MS/DOS has been improved over the last ten years and can, printer or to a communications device, while still allowing the use of anoth er program like a

This is a limited form of multi-tasking but it is not good enough for the type of systems that users want in 1990s. Both the OS/2 and Unix operating systems aim to provide a better environment to run programs simultaneously and to support more than one user.

But the penetration of these systems into the market has been slow and there are still major omissions which prevent them from taking the crown from MS/DOS as the standard operating system for more advanced computing based on Unix has been the subject of

continuing controversy as a plethora of different versions have come to market and served to confuse application developers and users alike. At the same time, OS/2 has suf-fered development delays and an underlying conflict between developer Microsoft and its main customer IBM. And there is still no version of OS/2 for 32-bit microcomputers such as

with Systems Applications Architecture (SAA) its masterplan for unifying its three main computer ranges - the 370 mainframe, the AS/400 minicomputer and the PS/2 - under a common regime.

From IBM's viewpoint, OS/2 is an IBM-only product and, until last November, the full able to IBM's customers. But Microsoft sees OS/2 as the logi-cal step up from MS/DOS and is keen to promote it as the main migration path for all existing MS/DOS users — whether they are IBM customers or not. In November 1989, IBM and

Microsoft went some way to resolving this conflict by agree-ing to only one version of OS/2 which would offer all its facilities to all users.

Most software developers have, until recently, concen-trated their efforts on MS/DOS -based systems, where they are guaranteed a ready market. A survey of over 1,000 UK users, conducted by the UK software company, Sapphire, in June, shows that OS/2 and Unix are running neck and neck.
Sapphire forecasts an installed base of 17.2 per cent

for OS/2 and 17.4 per cent for Unix by the end of 1990. It also notes that about 70 per cent of customers are committed to installing networks in the current year - most of them running under MS/DOS.

Harry Everett, Sapphire's marketing manager says: "For the second year running, the message from our survey is that PC users are more con-cerned about networking and the issues of connectivity than they are about OS/2 and Unix."

Despite this, Sapphire's survey shows that OS/2 is catching up to Unix. Last year a similar survey showed that the Unix installed base was 11.4 per cent with OS/2 lagging behind at 8.1 per cent.

This trend is supported by other market forecasts. DC other market forecasts. IDC

expects worldwide unit sales of OS/2 to be about 330,000 in 1990 up from 173,000 last year. Dataquest sees OS/2 overtaking Unix in mainstream business computing in the next two or three years. In an analysis in May 1990,

Detaquest concindes: "Unix is the better desktop choice for scientific, technical and engi-neering development efforts. OS/2 is the better solution for companies that require a multi-tasking operating system with both DOS compatibility and connectivity to large IBM systems. We believe that OS/2 will eventually dominate the desktop environment, espe cially since distribution and sales channels are more established for DOS and OS/2 then for Unix."

Microsoft has adopted a strategy which it hopes will bring developers and users to OS/2. Its MS/DOS-based Windows 3 graphical interface, launched in May, is virtually identical to OS/2's graphical interface Presentation Man-

Microsoft hopes to use Windows 3 as a stepping stone to OS/2 for existing MS/DOS users. The problem is that Windows 3 has turned out to be so good that many users might not feel the need to move up to OS/3. Microsoft says it has aiready shipped 800,000 copies of Windows 3 since the launch in May.

There is a precedent in the mainframe community. IBM's original DOS/360 system was launched as a stop gap in the 1960s because OS/360, the full operating system for mainframes, was delayed. IBM expected its DOS users to move to OS when it was ready. There are still about 30,000 DOS-users worldwide and many of them

## Rapid change in Japanese market 80286 processors used in current entry-level notebooks.

Continued from previous page: Equipped with a pen-like instrument and built-in handwriting recognition software, the machine is very easy to

The spectrum of PCs available in Japan is broad. At the top in computing power are the deak-top engineering workstations offered by SunMicrosys-tems, Hewlett-Packard and Digital Equipment Corp. Sun alone expects to sell 100,000 units in Japan this year. That would be a massive 67 per cent sales growth rate.

According to Yuji Ogino at International Data Corp.'s Japan office, worldwide amp-ments by Japanese PC manufacturers were up 35 per cent

for the last 12-month period and he sees continued strong growth for notebook PCs, at over 60 per cent a year.

The Japan Electronics Indus-try Development Association also endorses the bright out-look for smaller PCs. The association reports that lap-top/notebook computer shipments rose by 86 per cent and were over half of all com-puters shipped last fiscal quar-tar. Shipments headed for the local market grew 24 per cent for the quarter for the quarter.

Analysts expect a rash of

second-generation notebooks, sporting more powerful but relatively inexpensive Intel 80386-SX, 32-bit processors, an

A second generation of flat panel display devices will com-plement the increased proces-sor speed of the 80386-SX based notebooks. These notebooks

notebooks. These notebooks will have VGA resolution giving near photographic display quality. Expected later are units with EGA-quality colour and 64-tone gray-scale flatpanel displays at prices below \$4,000. The emerging "palm-top" market for computers with require new ingenuity to pack real-world business software packages into notebooks. These programs are typically large and use massive amounts of dynamic RAM memory. of dynamic RAM memory. The Japan Electronic Devel-

opment Association has made good progress in defining stan-dards for IC cards which will pack programs such as Micro-soft Windows, Lotus, and kanji wordprocessors in to thin packs the size of business cards. Improvements in battery technology technology may eventually ease the task of PC system designers, but in the meantime, designers are experimenting with cutting down the 6 volts normally required to drive the electric circuits in PCs to 3 volts and less. This promises to markedly extend the time between battery recharges and further improve productivity.

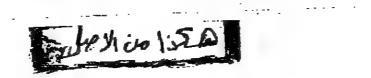
Richard May in Tokyo

# **#NORTON** ITOTAL Tel: 0488 685299 Fax: 0488 683288

PEMBROKE INTERNATIONAL LTD DOCUMENT CONVERSION SOFTWARE Document conversion software for use on industry standard PC/AT, and PS/2 personal computers.

PC/AT, and PS/2 personal computers.

Document formats and character attributes are maintained to provide fully functional documents in the target WP environment. CONVERT - Wordplex, Oliveti, ICL, IBM, DEC, Wang, Honeywell, Philips, Xerox etc., TO the current major OA systems provided by ICL, IBM, DEC and Wang, and most PC based WP products. For further information please call 0233-643809, or write to: PEMBROKE INTERNATIONAL LTD., Hardy House, Somerset Road, Ashford, Kent, TN24 8EW HELPING CHANGE HAPPEN EASILY



4007 Di tecago 

> 17

> PRINT The same

Telephone

tection of the second الميلالينين وسيد St. Constitution of the

# A remarkable recovery by any standard

MR ALAN SUGAR, founder and chairman of Amstrad, now the UK's largest personal computer manufacturer, permitted himself a wry smile when international Business Machines took its second stab at the home computer market earlier this year.

Ets.

"A few years ago", he recalled, "when we introduced our first personal computer, there was horror and alarm because we put the power supply in the monitor and provided only three expansion slots. There was no fan in the machine."

was no fan in the machine."
"Now, five years later this company called IBM has launched a product it calls the PS/1 with, remarkably enough, a power supply in the monitor, no expansion slots, graphics integrated onto the mother board and a mouse. Has it taken IBM all that time to work out what we identified five years ago?"

Mr Sugar, now virtually free of the financial problems which plagued Amstrad last year, has recovered his accustomed ebullience and is anxious to establish Amstrad's technological credentials in the industry.

He is talking about build quality and cost-cutting, rather than technological leadership

— "we have positioned ourselves as the Ford Motor Company of the computer industry.

#### Cutting-costs is the key to Alan Sugar's business philosophy

We do not pretend to be at the leading edge. We concentrate on the mass market for computers based on the Intel 80286 and 80386SX, offering superb quality at a good price."

quality at a good price."
Amstrad is second in unit sales only to Olivetti of Italy as a European-owned manufacturer. According to Dataquest it had six per cent of the 6.6m units shipped in Europe in 1969 compared with 6.4 per cent for Olivetti and 15.9 per cent for IBM, the market leader.

Nevertheless, the company's consumer electronics origin, which is still reflected in its games computer range, together with well-publicised technology problems with its professional computers last year have conspired to hurt Amstrad's ambitions to be recognised as a computer maker for serious users.

maker for serious users.

This month the company is making a new attempt to increase its penetration of the important professional computing marketplace with a new range of computers – the Generation Three – based on 3086.

30286 and 30386SX chips.

The Generation Three mod-

The Generation Three models — manufactured under contract by GPT in Kirkcaldy, Scotland, have been built to satisfy Mr Sugar's dictum that the customer is always right—"these machines should be acceptable to professional users because they have been designed to answer their complaints about earlier ranges.

plaints about earlier ranges.

"The cabinets are made of metal rather than plastics for the first time and there are expansion slots and facilities for fitting larger disk drives,

tape streamers and so on."

Most of the new technology in the Generation Three computers has gone into the manufacturing process. The number of chips in the system has been shrunk using custom chips designed at Amstrad's Brentwood, Essex headquarters and fabricated by a commercial sili-

Surface mounting, an advanced and cost-effective way of fixing chips to printed circuit boards, has been used now that fully automated surface mount machinery is available.

con factory.

Cutting-costs is the key to Mr Sugar's philosophy: "If anybody is going to go down in history as bringing computers to the masses in Europe, it has got to be us," he says. "We were the ones that

made the price-breakthrough. We brought the computer down to the price that made it affordable. Price is a great motivator. When you bring the price down, you expand the market".

"Twenty-five years ago a colour television cost £500 and an Austin Mini cost the same. Today, a colour television costs £200 and the mini costs £11,000. There will be a continual slide in prices in electronics."

He avoids market niches outside his self-defined criterion of computing for the masses. He has no plans as yet to build machines using the latest and most powerful intel chip, the 80486 which he sees as the engine for computer-aided design systems and scientific workstations.

He has no plans to move into machines complying to IBM's microchannel architecture(MCA) design. And he has no plans to move into computer software — "we have to be realistic. We are experts in hardware manufacture, not

But if the Generation Three computers encapsulate what Mr Sugar and his design team believe professional users are looking for in a personal machine, they by no means represent his personal view of the machines of the future.

These, he says, will take advantage of the semiconductor industry's facility to shrink more and more components down onto single chips of silicon and to compress more functions onto a single printed

circuit board.

"We think now that with the level of integration we can achieve on the chips, the footprint (space taken up by the computer on the deaktop) no longer has to be the traditional

"Neither do you have to provide eight slots for expansion cards because those cards were floppy disk controllers, network managers or graphics packages. All of that can now be condensed onto the main

printed circuit board."

"The computers we are working on now and which will evolve next year will be very small and have no more

than two expansion slots".
The margins in personal computers are tight, but Mr Sugar points out that Amstrad has always worked in electron-



Alan Sugar: "Price is a great motivator."

"it is the IBMs and others who have the problem. They have to work out how to become mass producers".

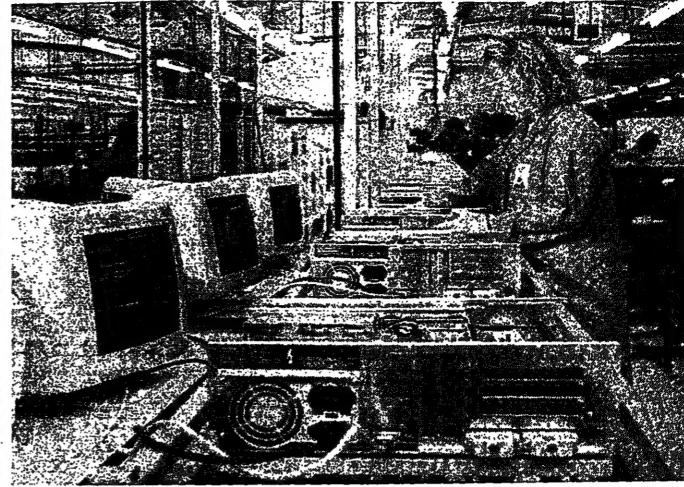
Amstrad will publish its financial results for 1989-90 next month and analysts are expecting pretax profits of about £45m, well down on previous years but a dramatic turnaround from this time last year when Amstrad had an inventory valued at £350m and bank debt of £150m. Now

inventory levels are manageable, there is no bank debt and the company has a positive cash position.

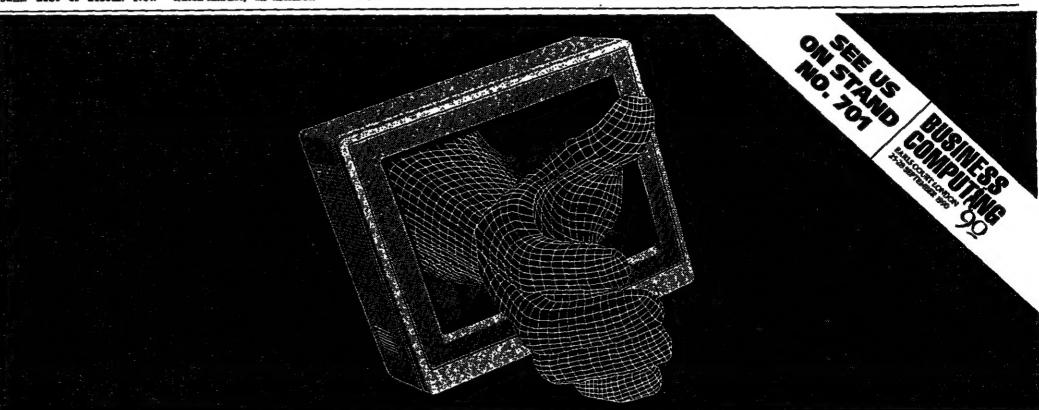
A remarkable recovery by any standards, but Mr Sugar is already looking to his new computer ranges to complete the turnaround. Personal computers, he believes, should be as common as television or video recorder.

"This is a totally unpene-

"This is a totally unpenetrated market," he declares.



One of the production lines at Kirkcaldy, Scotland, for Amstrad's new Generation Three computers which Alan Sugar and his design team believe professional-users are looking for in a personal machine.



# Tulip workstations go hand-in-hand with any network.

You may realise that high-speed microcomputer networks save you time and money.

But what you may not realise is how much more economic and powerful a networking system incorporating Tulip workstations is.

With the Tulip ws286, or the Tulip ws386sx, you'll get all the power you need.

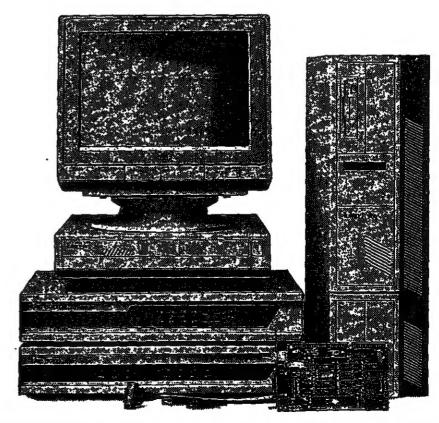
They'll cope easily with routine office work, or more complex applications.

They also include System Password Protection, a Tulip developed security feature.

Tulip's workstations are designed for use on any Ethernet based network, including Tuilp's unique isolan networking solution.

Whether you require an additional workstation for your existing network, or you are considering investing in a total network solution, Tulip Computers can provide the expertise along with high performance products to meet your requirements.

Your Tulip authorised dealer will be pleased to tell you more; simply call us on **0800 521146** or return the coupon, by post or fax.



		<del></del>
Post Code	Tel:	
atellite Business Village	e, Fleming Way, Crawley, Wes	t Sussex, RH10 2NP
553307.		FT/25/9/90
		Post Code Tel: attellite Business Village, Fleming Way, Crawley, Wes 553307.

Tulep computers
The name for European quality.

THE REGISTRAR Company Secretary
Software

Annual Returns (A363) • AGM Minutes Directors Minutes • Statutory Books Forms 288, 287, 224, 225(1), 88(2), 123 Stock Transfers • Resolutions

PRINT YOUR OWN FORMS

The 'Registrar' package will print Annual Return forms, completed with all the up-to-date information.
Other Companies House forms can be printed as required, together with automatically produced Minutes.

(dely=de

SOFTWARE LIMITED
ROCOCO HOUSE · 281 CITY ROAD · LONDON ECIV 1LA

Telephone 071-250 1234 Fax: 071-253 6664

Business Development Sol	tware Management Too
UNIX-based real-time data capture DECISION MAKER PC decision su VAX-based financial and manufact SCRIPTA multi lingual PC applicati Consultancy services.	pport. uring management system.
Tel: (0204) 696561 SALES & SERVICE	BDS

turning point.
Within the next few weeks two events that will shape the future of the company are expected to unfold.

This month Apple is sched-uled to introduce a new range of low-priced Macintosh personal computers aimed at home and small business

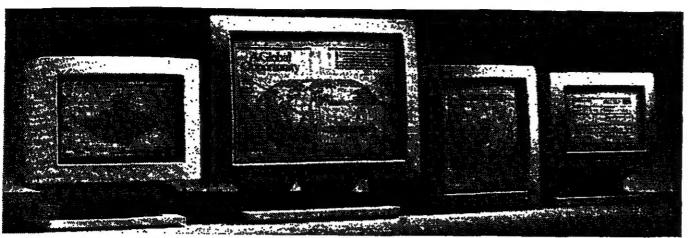
Apple's new products fill a gaping hole in the company's product line

Also expected soon is a judge's decision in the landmark copyright infringement battle between Apple and Microsoft, the leading personal computer software publisher. The success of Apple's new

products is critical. The com-pany suffered an embarrassing flop last year when it launched a "portable" version of the Macintosh that was too bulky and heavy to attract many customers. To regain its reputation for innovative products, Apple must come up with a winner this time.

The new products fill a gaping hole in Apple's product line. Currently, the company cannot compete in the low end of the personal computer marThe success of new products is critical, says Louise Kehoe

# **Turning point for Apple**



Apple's range of colour and monochrome monitors; the company is scheduled soon to introduce a new range of low-priced Macintosh personal computers aimed at home and small business users, echools and colleges.

ers are either too expensive or underpowered compared with similarly priced IBM-compati-

Apple's efforts to establish itself in the business market, over the past five years, now appear to have succeeded at the expense of its traditional strongholds in the education and small business segments of the market, which are now growing faster than the large-business market.

While total shipments of per-

sonal computers are growing by only about seven percent annually, shipments to the small business and home office segment are growing almost twice as fast, at 16 per cent annually, according to BIS CAP International, a US-based

market research company.
Over the past year Apple's market share has been groding, according to market analysis, from 9.5 per cent of the world personal computer market last year to a projected 8 per cent

in 1990. In the US education market, which Apple had domi-nated, the decline has been dramatic, analysts say.
If Apple is to regain its

momentum and to stem the incursions of IBM and others into the education field, it must offer low-cost versions of the Macintosh to replace its original Apple II line of personal computers.

The biggest challenge facing Apple, however, is to demon-strate the value of its products

in the wake of the introduction of "Windows 3.0" a Microsoft program that provides IBMcompatible personal computers many of the features of an Apple Macintosh for a fraction

of the price.
Windows 3.0 is a "graphical user interface," a program that generates menu bars, icons and overlapping windows on the computer screen allowing the user simply to point at symbols and click an electronic

mouse" to select functions

instead of typing arcane com-

This technology has been at the heart of the success of Apple's Macintosh since its introduction six years ago, helping the company's sales to rise from \$1bn in 1983, to \$5.3bm in 1989.

Apple has been fiercely pro-tecting its software technology in the courts and has filed suit against Microsoft over the Windows system, charging copyright infringement. Apple is also suing Hewlett-Packard, whose New Wave user inter-face program incorporates Windows.

Apple claims that Microsoft and RP have infringed upon its

visual display copyrights. Microsoft and HP bave denied the charges and HP has filed a countersuit asking the court to invalidate Apple's copyrights on the grounds that they do not represent original works. At issue in the case are two programs — Microsoft's Win-dows which divides the computer screen into overlapping segments in a way similar to that used by Apple, and Hew-lett-Packard's NewWave operating environment, a program that creates a visual deaktop on the computer screen. In concept, it is similar to Apple's Macintosh interface.

Apple has charged that Microsoft and HP's attempts to create an alternative graphical user interface have produced images that too closely resem-ble those of the Macintosh and claimed that the companies are infringing upon its intellectual property rights.

For its part, HP argued that

Apple's real concern "is not that some features of NewWave resemble those of the Macintosh, but that NewWave delivers what Apple itself has described as its vision of the future, "a more advanced form of graphical user interface" that represents a competitive challenge to the

With the introduction of Windows 3.0, Apple's "crown ewel," the innovative software that comes built in to the Maccounted to a price of just Dol-

Over the past year Apple's market share has been eroding, claim analysts

lars 150. In the US, the Macintosh sells for about Dollars 1,000 more than a compa-rable IBM-compatible system. Microsoft and Hewlett-Packard case may come any day. The judge hearing the case recently indicated that he is preparing years of legal arguments.
The outcome of the case will

whichever way the judge decides. If Apple's claims to the "look and feel" of the Mac-intosh — the particular arrangement of symbols on the screen and the way computer screen and the way computer users interact with the machine - is upheld, then Apple's competitive advantages will be greatly strengthened.

if, however, Apple looses the case, then Macintosh look-alike computers seem certain to proliferate, forcing Apple to compete on the basis of price compete on the basis of price and whatever other subtle advantages of the Marintosh it can successfully communicate. Strong sales of Microsoft's Windows 3.0, demonstrate the appeal of graphical user interfaces. Apple executives claim that Windows represents an endorsement of Apple's ploneering technology and that it will expand the notential man-

will expand the potential market for Macintosh Selling high-priced Macin-tosh computers in competition with IBM-compatible computers running Windows may,

A CELEBRATION OF THE PERSON OF

E .... THE PARTY OF THE P

12 mg

**建筑工**。2

200 25. Y. " -

. # to Table to

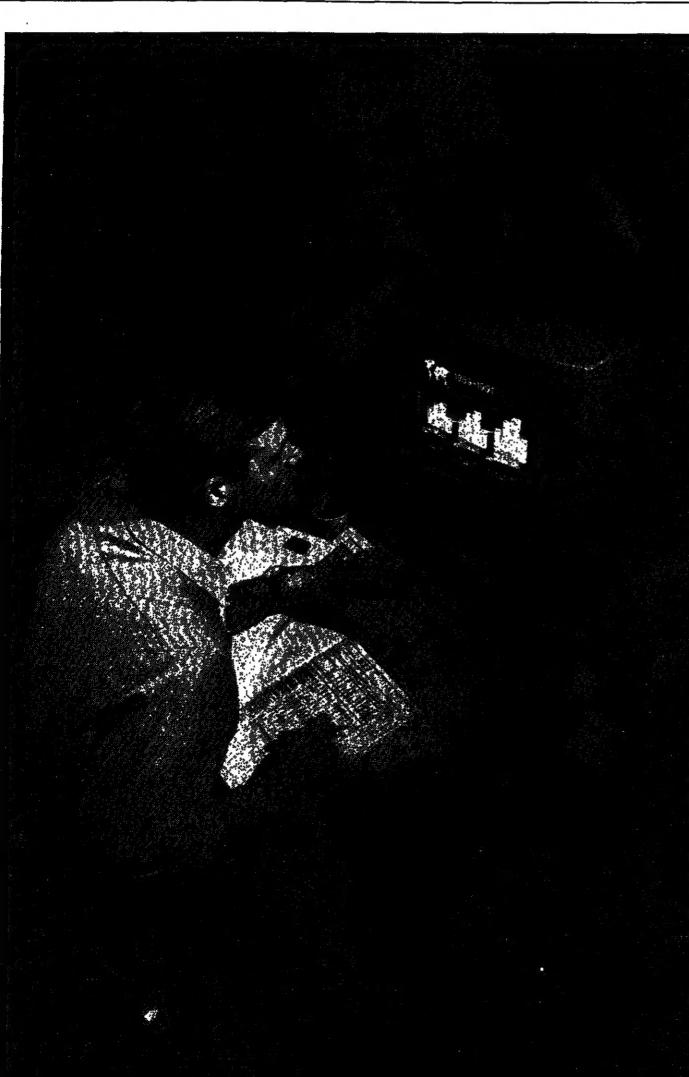
Report of the

EC: Li

10 a . . . .

I among the second

however, become much harder for Apple now that the com-pany's exclusive claim to "ease of use" through a graphical user interface has been shattered, industry analysts pre-



#### BECAUSE SO MUCH IS HAPPENING SO FAST.

Software Publishing Corporation Europe, Pyrantid House, Easthampstead Road, Bracknell, Berkshire RGLI 1YQ.

Some of the finest minds in software beloed to found. Software Publishing Corporation ten years ago. And wise happened next happened fast. We achieved a ranking in the world's top five suppliers of oftware and Harvard Graphics became the world's best-selling

ness users discovered they could communicate ideas and data ear style and impact more successfully from ever before. Yet all of that was yesterday.

business graphics pockage.

## **HARVARD GRAPHICS 2.3** HAS ARRIVED

For importing and analyzing even the most complex of data, avaiding fast and accurate projections and outstanding sentations, Harvard Graphics 2.3 is quite simply the most sible, versatile and complete package available today. With Harvard Graphics 2.3 you are closer to a

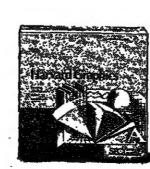
#### TOMORROW

How well are you prepared for tomorrow? How well equipped? Harvard Graphics 2.3 has galleries of chart styles and colour palesses for instant access to dynamic, multicoloured graphics. Full drawing capabilities and a comprehensive library of maps and symbols are an integrated part of the program.

industry standard packages. And introducing an industry first - HyperShow. A unique development enabling you to use your PC for powerful, infinitely versatile presentations through the shility

Direct import from Lotus 1-2-3, Microsoft Excel, and other

to edit or elaborate in mid flow. To receive your free information pack or details on how to upgrade ring the following number (1900) 18(8(9)





#### Powerful PCs with "go ... anywhere" portability

THE LAPTOP computer in use, above, by an executiv on a train, is a small 6ib machine which provides tuli PC function. The Compaq LTE/285 and LTE machines include such features as In-built 20Mb and 40Mb fixed discs, a 3.5m. diskette (floppy) drive, 80-key keyboard with standard key spacing and optional internal modern in a notebook-sized syste Measuring just 8½ ins. by 11½ ins. by 2½ ins., their weight and ability to function. on batteries for over 31/2 hours of continuos use give them "go anywhere" portability, suited to a wide range of business people.

depending on configuration. In the area of battery-powered laptops - one of the industry's fastest-growing sectors -Compaq took 65 per cent of sales through US dealers in the first five months of this year, according to analysts at Storeboard. In Europe, where its sales topped \$15n in 1989, Compaq moved ahead of both Apple and Olivetti to become the second-largest supplier of business PCs to European

users, according to Dataquest. The company has

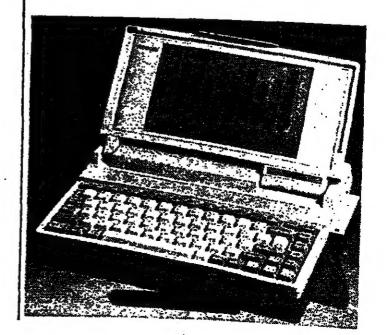
The Compaq systems are priced from £1,495 to £3,250,

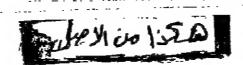
just opened an office in Berlin to boost its sales in Eestern

☐ Pictured below is Toshiba's high-specification notebook-style" portable computer, the T1000SE, which can be operated by battery or mains supply. It is just a little larger than A4 size, weighs under 6 fbs and has a well-proportioned keyboard. The machine, one of three notebook-style 1Mb of memory as standard and can be expanded to 3Mb using either a 1Mb or 2Mb credit-card sized memory units (£425 and £825. respectively). The computer also features a high-resolution LCD screen and is based on an 80C86 microprocessor and has an operating speed of 9.54MHz. The machine is priced at

Despite tough competition from a growing number of laptop suppliers, Toshiba, which was the European market leader last year with about 36 per cent of shipments, has managed to hold its dominating position with 32.9 per cent of the market for the half 1990. ☐ For a review of the lap

market, see page four: Buyers spoiled for choice.





companies are now taking computer security far more seriously: in the US, \$1.06bn will be spent by businesses this year to make their systems and data more secure. The computer system in use, above, is the ISM PS/2, model 80, with ASCII 3151 display station.

COMPUTER SECURITY

# The threat from within

It is ironic that one of the first applications of computers in the UK was a government-sponsored exercise in "back-

an sales na

greaths by

1800 E (188)

ing." The attempts by Alan Turing and his colleagues at Bletchley Park to crack the Enigma Code during the Second World War would be described as exactly this today.

The exercise was supported by a series of electronic computers called Colossus, generally acknowledged as the first working computer in the

But like many "hacking" sto-ries, the Enigma code was cracked with a little inside help. The Polish Secret Service managed to capture an finigua machine, which was subse-quently amuggled to Eletchley Park to be studied.

Nearly half a century later, the biggest security threats to computer systems are still computers themselves in crimi-pal or mischievous hands.

Without the enormous and freely-available power of modern computers, hacking and so-called "software viruses" could not exist. They have only become public issues in the past decade as a result of the microchip revolution and the

spread of personal computers.

They are issues that many companies are taking very seriously. According to a Frost & Sullivan report, published in August, US companies are expected to spend \$1.06bn this year on making their systems and their data more secure. They expect the market to be almost double by 1995.

Previously, computers were only available to large compenies and institutions. A small, privileged group of experts were the only ones who had access to the system and they were well-paid for their loyalty.

The worst sort of crime that occurred in those days was, perhaps, a surreptious look at someone eise's salary in the payroll master file.

The issue of security was rarely discussed. But in the last decade, the combination of powerful personal computers and the increased use of networking and "off-the-shelf" software, have made computer systems vulnerable.

The types of threat fall into three groups: internal disloy-alty, direct intrusions (or backing) and indirect intrusions Disloyal employees who have access to a computer system are the cause of most financial computer crime and this is more a management

issue than a technical one.

If well-chosen employees are paid well, it is unlikely that they will pose a security threat. Technology can help in a supportive role. Software can provide password checking and restrict access to corporate data, but a determined "hacker," with inside knowledge of the system, is impossi-

ble to stop. Direct intrusions into systems from outside is much more difficult than is generally believed and many "hacking" incidents which have hit the headlines have, like the Epigma project, been assisted by inside knowledge.

Those cases that have not involved inside knowledge are the result of chance or incompetence. The technique shown in the prophetic film Wargames, where a computer was programmed to dial telephone numbers at random and attempt to identify a computer-controlled reply, is an example

of chance.
The notorious Prestel case of the early 1980s, when the Duke of Edinburgh's mail box was "hacked," is an example of incompetence. The engineer in charge of the Prestel system left a crucial access code on a screen which could be readily ssed by all Prestel users. The threat of external intru-

nated - especially as it can be the result of employee disloy-alty. Software technology and formal access procedures -systems that will only allow access after dialling back to a remote terminal on a secure

eliminate much of the risk, The US Defense Department has devised a specification for secure systems under the head-ing "Trusted Computer System Evaluation Criteria" or the "Orange Book," These guides allow systems to be assessed for their relative level of secu-

line - have done much to

Classification Al, for example, is the most secure system. C2 is adequate and D is minimal security. Although the Orange Book grades are mainly used for military systems, they will inevitably spread to civil and commercial systems. The classifications have been applied to the Unix operating system - now man-datory for most military and government projects. Unix is also enjoying significant success in the commercial market where the security mechanisms developed for military

use are equally applicable. The most serious threat to all computer systems, however, are indirect intrusions or rogue programs. The misleading term virus" does not convey the spectrum of mischief which can be caused by badly-behaved software - whether it be contrived or accidental.

Software which deliberately disrupts a system - either by destroying data or by tying up resources - can be hard to detect and is, ultimately, impossible to prevent.

As quickly as one "virus" is detected and eliminated, another one is devised to create yet more mayhem. A cartain sort of person will always find the creation of such programs a challenge and a

Horizons widen for non-technical computer users

# New revolution ahead in personal productivity

have caused a revolution in white-collar productivity by giving non-technical users access to the power of comput-

ing.
This has been achieved through a combination of advanced hardware technology and clever software.

Until quite recently many of the benefits of this power were lost because the human-machine interface was not good enough. The trade-off between a simple interface and genuine power is a tough balancing act and software developers have not been too successful at man-

Simple interfaces usually mean limited power. Powerful functions involve complex control sequences. The last decade has seen a growing realization that the best way to give computer users access to powerful functions is through the graphics-based user interface pioneered at Xerox Palo Alto Research Centre in California and popularized by Apple with its Macintosh computers. But Xerox's work on human-

machine interfaces did not end with the windows-icon-mouse pointer interface and there is a good chance that the follow-on research will have as great an impact in the 1990s as the earlier project had in the 1980s.

The research falls under the heading of object-oriented design and is embodied in a Xerox-developed system called Smalltalk - a combination of an operating system, a database and a development envi-ronment. Object-oriented design is a relatively new approach to the design and construction of computer Philip Manchester systems and sees a the world

tained, interacting objects or building blocks which can be brought together to form a complete system. One advantage of this view is that it allows proven and tested pro-grams or functions to be re-used in other applications.

Another is that new functions can be added easily at every level of the system. This

embodies many of the princi-ples of object-oriented design and has had enormous influand has had enormous ence on other personal computer software products. In April 1990, Microsoft's

launch of Windows 3 graphics-based interface was accompanied by a product called Toolbook, which brings many of the advantages of the object-

Object-oriented design is a relatively new approach to the design and construction of computer systems

opens up a broader spectrum of power to non-technical users and enables them to create their own extensions to a system without the need to learn how to program in the traditional way. These are not new ideas, of course. But object-oriented design is the first attempt to bring them together and define them formally.

In 1989 a group of manufac-turers and software companies - mostly based in the USA -set up the Object Management Group (OMG) to define and promote standards for objectoriented design. Its first draft specification was published in June 1990 and it is hoped that detailed specifications for industry-wide, object-oriented design standards will begin to

annear next year. Meanwhile, many hardware manufacturers and software developers - most of them members of OMG - are working quickly to bring products based on object-oriented design principles to market.

Unsurprisingly, Apple Com-puter is one of the leaders. Its Hypercard development envioriented approach to the MS/ DOS-based personal computer market. Hypercard and Tool-book are aimed at individual users and are not suitable for building complex, multi-user commercial software. But Hewlett Packard's New Wave package, which works with Microsoft's Windows 3, points strongly in this direction – as does Xerox's Smalltalk.

Other computer manufacturers known to be keenly inter-ested in object-oriented design include DEC, which joined the OMG early in 1990, Prime, Data General, Sun Microsystems, Olivetti, Bull, Philips, Fujitsu, ICI., NEC and Matsushita. Although IBM was partici-

pated in the production of the draft OMG standard, it has, so far, stood on the sidelines and not joined the group. It is, how-ever, committed internally to object-oriented design. Some major software developers have also made a strong commitment

In addition to Microsoft, which has done much to pro-mote object-oriented design ment, other leading software developers, including Borland International, Aldus, Unify, Novell, Micro Focus and Gold Hill are also know to be work-

ing on products.

Object-oriented design also opens opportunities for new companies and a wave of small software companies has grown out of the Xerox PARC culture in the last few years.

Parcplace Systems, which has brought Smalltalk to mar-ket. Objectivity, Object Design and Ontologic are all compa-nies that could benefit from the spread of object-oriented

technology.

This will take some time and it will probably be the mid1990s before these benefits filter through to end-users. But it is end-users who will be the greatest benficiaries of objectoriented design in the long term. Portunately, it will be a gradual process - a continuation of the fine work which has already been done by the industry to make computers more accessible to non-techni-

One of the other advantag of object-oriented design is that it does not require a revolution to work. The technology can be introduced alongside existing technologies and can be used to "re-engineer" older systems.

Most important of all, object oriented systems promise to make the power of programming available to virtually everyone without the need to cope with its traditional complexities.

This will make the revolution in personal productivity of the 1980s look trivial by com-

Philip Manchester

healthy industry has already

grown fr om the sale of protec-tive mechanisms. Frost & Sulli-

will be worth \$215m in the US

Security will become even

more important as many com-panies follow the so-called

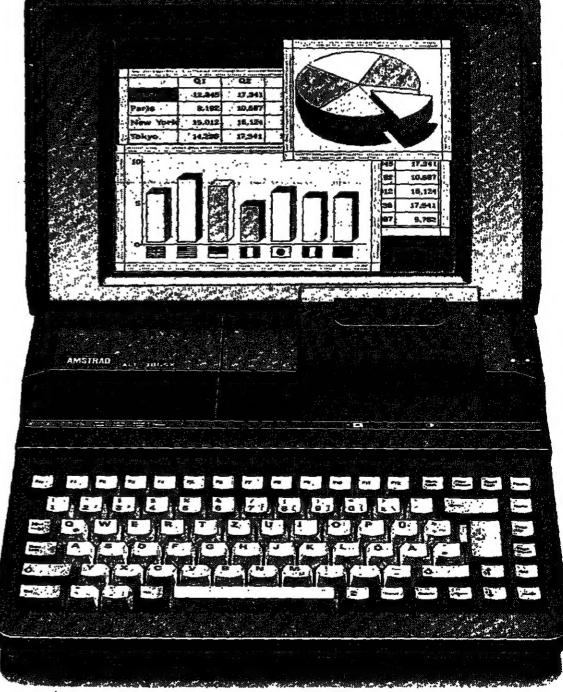
"downsizing" path by moving their applications from large,

central mainframes to net-

works of workstations. These

powerful systems will be even more vulnerable than the net-

works which exist today.



# Lee lacocca President, Chrysler Corporation

Over 200 major exhibitors.

- Uver zou major executiva.
   London's biggest and brightest computer show.
   See the latest products from the biggest names in the Industry including Hewlett Packard, Apple, Amstrad, Microsoft, IBM and many many more.
- Major new product faunches.
   Free solutions consultancy and IT advice from independent professional institutes and associations. • Free walk-in seminars on the most relevant (T

Don't miss the most exciting compli the year. Just take this coupon with you to the show and you'll be entitled to admission absolutely free. BUSINESS SOLUTIONS

BUSINESS EARLS COURT LONDON 25-28 SEPTEMBER 1999

OPENING TOMES Friday 10.00-17.00.



COMPLIMENTARY ADMISSION EXCHANGE THIS COUPON FOR A TICKET AT THE SHOW.

This voucher is only valid for business and trade visitors over the age of 18.

Organizaru: Montholid Ltd., 17 Migratiester Square, Landon Willia SAB.

# "Amstrad's sleek portables, way ahead of the competition."

When it comes to computers, there are usually as many opinions as there are computer magazines. "The ALT-386SX is an excellent machine

and deserves to shake up the competition." (PC PLUS MAGAZINE) But on the subject of Amstrad's new

ALT-386SX Laptop, the experts are united. · They all love it.

Which is only fair when you consider what we've put into it. "The screen and keyboard, vital to the

acceptance of any portable are superb." Superb quality backlit VGA LCD display with 32 shades of grey. A powerful Intel 386SX™ processor, running at 16Mhz, Fast access 40 Mb hard disk and 31/2" 1.44 Mb floppy drive. And

there's a full 1 Mb of RAM.

We've included a removable rechargeable battery and built-in battery charger. Plus auto-switching power supply, which adapts instantly to the local mains supply, wherever you are in the world.

"The price is right." (PC USER MAGAZINE) In addition, the keyboard can be fully international. With all the major European language letters and symbols supplied on interchangeable keycaps.

R. R. P.; correct at 1-9-90 subject to change validual ted.co. "NAT at 1975 to be adopted. All subhase states to loance. Product suspect and availability. The numes and legas, Americal are registered and to enume Americal ALL-296 and ALT-396 are trade marks of Americal pic. (§ September 1991) American pic.

Alternatively, you may prefer our other laptop, the ALT-286. It has a powerful 80286 processor, and a 20 Mb hard disk.

The ALT-286 costs just £1599 + VAT (R.R.P). while the ALT-386SX is £1999 + VAT. (R.R.P.) No wonder PC User magazine urged its readers to "Buy it."

We couldn't have put it better ourselves.

Please send me details about the Amstrad Laptops.	FT 25/4/19
Name	
Address	
Postcode	
Send to: Americal pic, PO Box 46.2, Breathered, Press, CM 14 4EF, Tel: 10	2791450352.

#### PERSONAL COMPUTERS AND SOFTWARE 8

Local area networks offer big advantages, says Della Bradshaw

# Cost is the determining factor

THE ATTRACTION of colour graphics or jolly icons on the screen of a standalone business PC can soon wear thin when it becomes clear that the machine cannot swap files or communicate with other machines in the building.

During the 1980s the problem of how to move information from one PC to another, or from the PC to the corporate mainframe or the printer, fuelled the sales of local area

fuelled the sales of local area network (Lan) products to con-nect machines together. Figures for the growth of PC networks are impressive. The Market Intelligence Research Company, of Mountain View, California, reports that world-wide revenues for PC Lan prod-ucts grew at a compound ucts grew at a compound annual rate of 46.3 per cent between 1985 and 1988, and predicts that by 1995 the growth rate will still be 13 per cent

Much of today's growth has been brought about by the introduction of systems which can use the ordinary twisted pair telephone wiring, already installed in every building, says Rick Matsumoto, a consultant for MISC. tant for MIRC.

"Most people recognise the benefits of implementing Lans," says Matsumoto. "But

been the cost." Although demand for PC Lans is still strong, the ratio-nale for their implementation

During the 1960s the intro-duction of Lans was largely to connect PC users within one

department, such as the mar-keting or the sales offices. The decision over when and how to install the PC network, and which technology and supplier to opt for, was largely left to the departmental head.

As networks first came into use in the mid-1980s, they were usually proprietary products, developed by numerous small

Today's manufacturers and

users, by comparison have

standardised on two technologies for local networking: token ring, supported by IBM and its followers and Ethernet,

supported by Digital Equip-

ment and others.
As a result, many companies today find they have a number

of networks in place — the sales department, say, using Ethernet, the accounts depart-ment a token ring network and personnel may have bought a

proprietary network out of

the PC Lan marketplace as a result of this. The first is

towards inter-networking,

where various local networks are linked together, and the

towards what is often described as "enterprise net-

nent move

Two trends are emerging in

their departmental budget.

on network implementation are taken for the organisation as a whole. Whereas departmental net-working meant the depart-

ment's manager was king, enterprise networking trans-fers the onus of selecting and implementing a network back onto the shoulders of the data processing or information tech-pology manager. nology manager. This shift from looking from

If a network in one country is based on say Novell soft-ware, while that in another is based on Microsoft's, there are clear technical problems in doing this.

tion is the adoption by all man-ufacturers of an internationally approved standard to which directories are written, called X.500. Most of the large Lan manu-

Two trends are emerging in the marketplace for local area networks for PCs: the first is towards inter-networking, where various local networks are linked together, and the second is a management move towards what is often described as "enterprise networking."

> to kooking from the managing director's office downwards brings a bost of complications with it. For example, whereas users on a departmental network

> the departmental PC upwards

generally have access to most of the files within their department, with a network con-trolled centrally careful decisions have to be made about who can access which data - a particular problem if some of the PC users on the network

One of the biggest problems to be addressed is the developsed is the development of a common numberin eme - similar to the interoffice phone system - to enable any user to sign on at any PC connected to network

facturers, such as Novell. 3Com, Microsoft and IBM, all of the US, have recognised the problems inherent in enterpise networking and are are developing systems to take these issues into account.

While Lan manufacturers are trying to solve the prob-lems inherent in departmental networks, the software vendors are now looking at ways of ensuring that the scale involved in enterprise network implementation does not stifle the individual workgroups that grew up under departmental computing.

The answer, they believe, is At the heart of the group ware concept is the old busi-ness school idea that most productive work is done by small people working alone and con-tributing to some huge plan of which they only see a small

Groupware is software designed to do that for the networked PC user. It enables networks to be set up so that each person working on one task has access to all the data files of other members of his or her of other members of his or her group - whether they usually sit at the next desk or at the other side of the Atlantic.

Meanwhile, the would-be PC Lan user still has a host of other issues to worry about. Although many companies are turning to networked PCs because they giver a degree of power to the individual user – and so make their staff more productive — they can also cause security problems.

Because data is stored locally, company employees can easily copy a disk or print out confidential information as they move off to their new job in a rival company. The PC network becomes the weak link in the company's security system. Fears about computer hackers and viruses also

As well as security, another key management issue is how to ensure the network is being used most efficiently.

When PCs were stand-alone machines, each user had to keep records or files of infor-mation which were duplicated across all the PCs in the office. With networking, that data need only be held in one place.



Figures for the growth of PC networks are impressive, particularly the the financial sector.

Amid rapid hardware changes, demands for PC programs become ever more complex

# Software developers fast heavy pressures

THE DOWNFALL of database software developer Ashton-Tate shows the pressures which face companies in the personal computer software market in the 1990s.

Unlike mainframe and minicomputer software builders, companies which operate in the mass market are subject to the whims of fashion and a rapidly-moving technology.
Ashion-Tate pioneered the idea of database software on personal computers and, by the mid-1980s, was one of the hot-

software business. Various versions of its dBase database package were bought by more than 2.5m users and about 10,000 applications packages have been developed with dBase as their core.

But in the late 1980s, Ashton-Tate found itself under pres-sure from a plethora of compa-nies determined to wrest its crown as the dominant sup-plier in the personal computer database market.

At the same time its vast user-base wanted improvements to the existing product to take account of new hard-ware technology and operating system improvements. Ashton-Tate's answer was announced in 1988 for delivery in Spring

It was called dBase IV and it was the first major upgrade since 1985's launch of dBase III

In addition to a host of new functions and features for users, the new product would be able to take advantage of the new breed of faster microversion aimed to bring the product up to date and carry Ashton-Tate securely into the

But dBase IV did not arrive until late in 1989 and, even then, it was beset by 'bugs.' Ashton-Tate's financial performance of the control o mance suffered as its market share dwindled.

In 1988 the company made a net profit of \$47.90m on gross revenues of \$307.30m. Ashton-Tate changed its year-end to December in 1989, giving it an month financiai which revenues fell back to

\$267.30m with losses of \$31.6m. Market researcher Romtec estimates that dBase IV held about 38 per cent of the UK market in monthly unit sales in May 1988. By May 1990, when the company's chief executive officer, Ed Esber resigned, dBase IV's share had that to 13 per cent mushing sunk to 13 per cent, pushing the product into second place behind Dataease.

It is too early to say whether Ashton-Tate will recover. It released dBase IV version 1.1 in August and the product is, at least free of major bugs. While Ashton Tate has wree-tled with problems of dBase IV

the database market has moved on and it will need to do more than get dBase IV working to restore market confidence in its products.

Although an extreme exam-ple in commercial terms, Ashton-Tate's story is by no means mnique. The demands of users and constantly improving hardware technology put pres sure on all personal computer softers developers. Lotus had problems deliver-ing Release 3 of its 1-2-3 spread-sheet and Microsoft was two

year's late delivering the first version of its Windows graph-Despite a dent in its image, Lotus managed to survive its problems with 1-2-3 because the product worked well when

it arrived.

In Microsoft's case, PC users did not see graphics user interfaces as a priority in the mid-1980s, so the delayed delivery of Windows only affected a mail group. Microsoft also small group. Microsoft also learned the wisdom of not when it came to Windows 3 -

product in the industry months

before it arrived.

The important thing was

that Windows 3 was a stable and robust piece of software when it was delivered to users. Users, it appears, will tolerate delays, but not bad workmanship. David Intersimone, a direcSolzh

Costi

Eart :

Butto:

Pictor :

Coba is

Bangko:

Birth ?

Soriets : [2]

Z150--

Actoria

tor of rival database supplier Borland International, says ese are two important issues confronting software developers in the 1990s: "Software is coming much more complex because customer's requirements keep growing.

"And the hardware and oper-

ating systems platform is changing and difficult to keep up with," he observes. He acknowledges that delays in software development are

witable in such a pressurised market and believes tha answer is to make software more flexible in the first place so that programmers and users can add their own extensions. The challenge is to harness

complexity and to make it easier for everyone to be a good programmer," he says. Marcus Bolton, managing director of the UK software developer, System C, sees the problem as inherent in the tra-

ditional method of building software in large organiza "We have been down this route oursleves. Our original

Unpredictable delavs in program development cause havoc for software PHILIP MANCHESTER

package was built by one person. When we came to build the second version, we put a team together and it was a disaster. You cannot replace one bright individual with a team of adequate ones," he

explains.
"We went back to core development with just one individnal - supported by someone to prepare the documentation," Mr Bolton adds. He advocates use of similar techniques to those recommended by Mr intersimone of Borland: build libraries of re-usable compo-nents which are tried and

He notes that Apple and Hewlett Packard are well down this route with their software and much of the efforts of supporters of the object-oriented design approach (including Mr Intersimone) are aimed in this direction.

Delays in software develop-ment are certainly not a new phenomenon. There is an old maintrame programmer's saying that all programs are 90 per cent complete for 90 per cent of their development schedule — which may go some way to explaining why imprudent marketing depart-ments announce software before it is truly ready.

Programmers are by nature optimistic souls and always believe that their programs will quickly work well. But the more mature personal com-puter software companies have, however, learnt from Ashton-Tate's bitter experience and they wait until they have completed rigorous quality-testing before they let the world get their hands on the product.

# NCR's new PC486/MC33. Its effects can be felt throughout the business world.

NCR's PC 486/MC 33, incorporating the latest i486 processor, is the most powerful PC in the world. Together with the Entry Level 486 and 25MHz machines, NCR deliver the widest span of 486\* performance available.

Our belief that a PC shouldn't begin and end with the chip has revolutionised conventional microcomputer architecture. And the benefit? Unrivalled performance.

NCR's new Parallel Bus Architecture features two fast lanes for the computer to read from, and write to, memory simultaneously. This allows several co-processors plus the CPU to run at virtually zero-wait states: any amount of

information thunders through to multiple applications.

With this advanced technology, NCR promise to carry on shaking the computing world to its foundations.

And in line with our philosophy of Open, Cooperative Computing, NCR's Intel-based\* systems conform with industry standards and include operating support for NCR's new Unix V4, SCO Unix, OS/2 and DOS. Which means with our PC 486/MC 33 tomorrow's advances will never knock you off your feet.

For more information, call 071-724 4050 or cut the completed coupon.

Please send mor	Road, London NW1 61 re information on 486/MC 33 immediately	
Name		
Position		
Company		
Address	• •	·
Postcode	Tel.	



NCR

Open, Cooperative Computing. The Strategy For Managing Change.

Name	
Position	
Company	
Address	· ·
ostcode	Tel.

**FINANCIAL TIMES** 1990 RELATED SURVEYS April 20 Desktop Publishing October 5 October

FOR ADVERTISING INFORMATION CONTACT MEYRICK STAMMONDS 071-873-4540 FOR EDITORIAL INFORMATION CONTACT DAVID DODWELL 071-873-4090

November